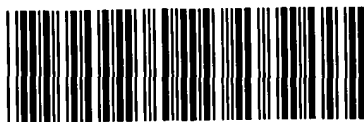


**Brook Wind Two Limited**  
**Report and Financial Statements**  
**Registered number: 10198534**  
**For the year ended 30 September 2019**

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COMPANIES HOUSE

**Brook Wind Two Limited**  
**Contents**

	<b>Page</b>
Company Information	1
Report of the Directors	2
Independent Auditor's Report	3-4
Profit and Loss Account	5
Balance Sheet	6
Statement of Change in Equity	7
Notes to the Financial Statements	8-10

**Brook Wind Two Limited  
Company Information**

Manager & Operator	Alpha Real Property Investment Advisers LLP 6th Floor 338 Euston Road London NW1 3BG
Directors	Edward Mole Stephen Daniels Roger Skeldon
Company Secretary	Edward Mole
CRN	10198534 (England and Wales)
Bankers	The Royal Bank of Scotland Barclays Bank PLC
Auditors	Mazars LLP The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF
Registered Office	338 Euston Road London NW1 3BG

**Brook Wind Two Limited**  
**Report of the Directors**  
**For the year ended 30 September 2019**

The directors present their report with the financial statements of the company for the year ended 30 September 2019.

**PRINCIPAL ACTIVITY**

The company was incorporated on 25 May 2016 and owns 100% of the shares in four trading companies which operate in the renewable energy sector.

**DIRECTORS**

The directors who have held office during the year ended 30 September 2019 are as follows:

Mr E W Mole  
Mr S R Daniels  
Mr R Skeldon

**COMPARATIVE INFORMATION**

Due to the change in year end date, to 30 September 2018, the current accounting period is shorter than the prior accounting period. As such comparative information will not be comparable in all instances. The change in year end date reflects the change in ownership of the company. During the prior period, the company's parent company Strategic Reserve Power Limited was purchased by Elm Trading Limited and therefore Brook Wind Two Limited came under its control. Upon acquisition the year end date was brought in line with that of the new ultimate parent undertaking, Elm Trading Limited.

**CORONAVIRUS (COVID-19) OUTBREAK**

The company is well placed to deal with the uncertainty caused by the current COVID-19 outbreak. Our renewable energy assets are valued at the lower of cost less depreciation and net realisable value. Despite the COVID-19 outbreak causing a fall in energy demand and wholesale electricity prices, we do not foresee the requirement for any impairment to the carrying value because the net realisable value is higher than depreciated cost. The renewable energy assets continue to generate revenue according to their business plans and have the infrastructure in place to operate at full capacity during the 'lockdown' environment. The directors continue to assess the impact of Covid-19 to the company.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland Section 1A". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT FOR SMALL COMPANIES**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A (1)(a) of the Companies Act 2006. The directors have also taken advantage of the small companies exemptions from preparing a strategic report provided by section 414B (a) of the Companies Act 2006.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when the Directors' Report is approved have confirmed that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that ought to be taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the Board and authorised for issue on 6 July 2020.

And signed on their behalf by:



Edward Mole, Director

## **Independent Auditors' Report to the Members of Brook Wind Two Limited**

### **Opinion**

We have audited the financial statements of Brook Wind Two Limited (the 'company') for the year ended 30 September 2019 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements**

In forming our opinion on the company financial statements, which is not modified, we draw your attention to the Directors' view on the impact of the COVID-19 as disclosed on page 2, and the consideration in the going concern basis of preparation on page 8 and non- adjusting post balance sheet events on page 10.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the company's trade, customers, suppliers and the wider economy.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Independent Auditors' Report to the Members of Brook Wind Two Limited

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

### Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

*Stephen Eames*

Stephen Eames (Jul 8, 2020 15:43 GMT+1)

Stephen Eames (Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Date: 08-Jul-2020

**Brook Wind Two Limited**  
**Profit and Loss Account**  
**For the year ended 30 September 2019**  
**Registered number: 10198534**

	Notes	Year Ended 30 September 2019	Period from 1 April 2017 to 30 September 2018
		£	£
<b>TURNOVER</b>		-	-
Expenses		(35,152)	(59,771)
		<hr/>	<hr/>
<b>OPERATING LOSS</b>	<b>2</b>	(35,152)	(59,771)
Interest receivable and similar income	<b>3</b>	-	1,139,185
		<hr/>	<hr/>
		(35,152)	1,079,414
Interest payable and similar charges	<b>4</b>	-	(275,890)
		<hr/>	<hr/>
<b>(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAX</b>		(35,152)	803,524
Deferred tax		-	(66,538)
		<hr/>	<hr/>
<b>(LOSS) / PROFIT AFTER TAX FOR THE YEAR</b>		<u>(35,152)</u>	<u>736,986</u>

All operations are classified as continuing.

The notes on pages 8 to 10 form part of these financial statements.

There are no recognised gains and losses for the current financial period other than those stated in the profit and loss account. Accordingly, a statement of other comprehensive income has not been presented.

**Brook Wind Two Limited**  
**Balance Sheet**  
**As at 30 September 2019**  
**Registered number: 10198534**

	Notes	30 September 2019 £	30 September 2018 £
<b>FIXED ASSETS</b>			
Investments	5	17,025,873	17,025,873
<b>CURRENT ASSETS</b>			
Debtors	6	413,234	452,139
Cash at bank and in hand		6,146	42,393
		<u>419,380</u>	<u>494,532</u>
<b>CREDITORS</b>			
Amounts falling due within one year	7	(1,781,486)	(3,025,486)
<b>NET CURRENT ASSETS</b>		(1,362,106)	(2,530,954)
<b>NET ASSETS</b>		<u>15,663,767</u>	<u>14,494,919</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		14,415,264	14,415,264
Profit and loss account		1,248,503	79,655
		<u>15,663,767</u>	<u>14,494,919</u>

The accounts have been prepared in accordance with the provisions applicable to Companies subject to the small Companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The notes on pages 8 to 10 form part of these financial statements.

Approved by the Board and authorised for issue on 6 July 2020.



And signed on their behalf by:  
Edward Mole, Director



**Brook Wind Two Limited**  
**Statement of Changes in Equity**  
**As at 30 September 2019**  
**Registered number: 10138767**

**Statement of changes in equity**

	<b>Share Capital</b>	<b>Profit and Loss</b>	<b>Total</b>
	<b>£</b>	<b>Account</b>	<b>£</b>
	<b>£</b>	<b>£</b>	
At 1 April 2017	2	(657,331)	(657,329)
Shares Issued Net of Issue Costs	14,415,262	-	14,415,262
Profit in the year	-	736,986	736,986
At 30 September 2018	<u>14,415,264</u>	<u>79,655</u>	<u>14,494,919</u>
At 1 October 2018	14,415,264	79,655	14,494,919
Shares Issued Net of Issue Costs	-	-	-
Loss in the year	-	(35,152)	(35,152)
Dividend received	-	1,204,000	1,204,000
At 30 September 2019	<u>14,415,264</u>	<u>1,248,503</u>	<u>15,663,767</u>

**Brook Wind Two Limited**  
**Notes to the financial statements**  
**For the year ended 30 September 2019**

**General Information**

Brook Wind Two Limited ("the company") is a private company limited by shares, incorporated in England and Wales. The address of its registered office is 338 Euston Road, London NW1 3BG. The principal activity of the company is that of a Holding Company in a group of trading companies which generate electricity from wind energy.

The financial statements have been presented in Pounds Sterling as this is the Company's functional currency, being the primary economic environment in which the Company operates.

**1. Accounting policies**

The principal accounting policies are summarised below.

**a) Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the provisions of FRS 102 Section 1A - small entities. The Company extended its accounting reference date to 30 September 2018 from 31 March 2017, to align its period end date with its parent company. The financial results for the current year are not directly comparable to the prior period because the prior period was extended to 18 months.

**b) Going Concern**

The financial statements have been prepared on the going concern basis. The directors have assessed the impact of Covid-19 to the company and the directors expect the company to have adequate funds available from reserves and current trading activities to enable it to continue as a going concern for at least 12 months from the date of signing the financial statements.

**c) Cashflow statement**

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the provisions of FRS 102 Section 1A - small entities.

**d) Turnover**

Turnover represents income derived from electricity generation from wind installations.

**e) Preparation of consolidated financial statements**

The financial statements contain information about Brook Wind Two Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

**f) Fixed asset investments**

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Derivative financial instruments comprise interest rates swaps and are initially recognised at fair value at the date the derivative contract is entered into, and are subsequently measured at fair value at each reporting date. The resulting gain or loss is recognised in the statement of Comprehensive Income.

**g) Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account.

**g) Financial instruments**

Financial instruments are included under the provisions of Section 11 'Basic Financial Instruments' of FRS 102. Basic financial instruments, which include trade and other receivables, cash and bank balances and trade and other payables are measured at transaction price including transaction costs.

Derivative financial instruments comprise interest rates swaps and are initially recognised at fair value at the date the derivative contract is entered into, and are subsequently measured at fair value at each reporting date. The resulting gain or loss is recognised in the statement of Comprehensive Income.

**2. Operating profit**

Operating profit is disclosed after charging:

	Year Ended 30 September 2019 £	Period Ended 30 September 2018 £
Auditor's remuneration	—	2,025
	—	2,025

The cost of auditing the current period of account was incurred by other members of the Elm Trading Ltd Group.

**Brook Wind Two Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 September 2019**

**3. Interest receivable and similar income**

	£	£
Interest on loans to 100% owned subsidiaries	-	807,585
Loan swap fair value movement	-	331,600
	<u>-</u>	<u>1,139,185</u>

**4. Interest payable and similar charges**

	£	£
Interest payable and charges	-	275,890
	<u>-</u>	<u>275,890</u>

**5. Fixed asset investments**

	£
<b>Cost</b>	
At 30 September 2018	17,025,873
At 30 September 2019	<u>17,025,873</u>
<b>Net Book Value</b>	
At 30 September 2018	17,025,873
At 30 September 2019	<u>17,025,873</u>

**6. Debtors**

	30 September 2019 £	30 September 2018 £
Amounts owed by group undertakings	331,599	331,599
Other debtors	81,186	105,132
VAT	449	15,408
	<u>413,234</u>	<u>452,139</u>

Amounts owed by group undertakings are unsecured, repayable on demand and accrue interest at 7% per annum.

**7. Creditors: amounts falling due within one year**

	30 September 2019 £	30 September 2018 £
Other Creditors	1,845	1,845
Amounts owed to group undertakings	-	3,023,641
Accruals and deferred income	1,779,641	-
	<u>1,781,486</u>	<u>3,025,486</u>

Amounts owed to group undertakings are unsecured, interest free, with no set terms of repayment.

**Brook Wind Two Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 30 September 2019**

**8. Called up share capital**

Allotted, issued and fully paid:

Class	Number	Nominal value	£
Ordinary Shares	14,415,264	£ 1.00	14,415,264
			<u>14,415,264</u>

**9. Controlling party**

The ultimate controlling party holding 100% of the share capital is Elm Trading Ltd.

The largest and smallest group of undertakings for which the results of the Company are consolidated is that headed up by Elm Trading Limited. The consolidated financial statements of Elm Trading Limited can be obtained from 338 Euston Road, London NW1 3BG.

**10. Related party transactions**

Advantage has been taken of the exemption conferred by Section 33 Related Party Disclosures not to disclose transactions with fellow members of the Elm Trading Limited group where 100% of the voting rights are controlled within the group.

**11. Subsequent events**

Following the year end, in March 2020 the impact of Covid-19 to the United Kingdom was considered to be significant. As this only emerged after the year end, the Directors' view is that any future significant changes is considered to be a non-adjusting event in relation to these accounts.

The Directors will continue to monitor any impacts of Covid-19 on the company, but as at the date of signing the accounts do not believe that there has been any significant impact requiring disclosure. These financial statements do not include any adjustments to assets or liabilities to reflect the potential impact of the pandemic on the company's future performance or underlying net asset position.