

Brook Wind Two Limited
Report and Financial Statements
Registered number: 10198534
For the period ended 30 September 2018



Brook Wind Two Limited
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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 period ended 30 September 2018

The directors present their report with the financial statements of the company for the 18 month period ended 30 September 2018.

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 period ended 30 September 2018 are as follows:

Mr R J Myers - resigned 4 August 2017
Mr A C D Hobley - resigned 4 August 2017
Mr E W Mole - appointed 4 August 2017
Mr S R Daniels - appointed 4 August 2017
Mr R Skeldon - appointed 4 August 2017

COMPARATIVE INFORMATION

Due to the change in year end date, to 30 September 2018, the current accounting period is longer 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 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.

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

11/5/19

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 for the period ended 30 September 2018 which comprise the Profit and Loss Account, the Balance Sheet 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 Section 1A "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 2018 and of its profit for the period 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.

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.

Matters on which we are required to report by exception

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 limited liability partnerships regime.

Responsibilities of Directors

As explained more fully in the statement of directors' responsibilities 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.

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

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.

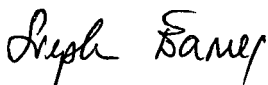
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's directors 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 directors 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 directors as a body for our audit work, for this report, or for the opinions we have formed.

Other matter

Without qualifying our opinion we draw attention to the accounting policies on pages 7-9 to the financial statements and the fact that the comparative information in the accounts was unaudited as the company was entitled to exemption from audit.



Stephen Eames (Senior Statutory Auditor)

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
MK9 1FF

Date: 7 MAY 2019

Brook Wind Two Limited
Profit and Loss Account
For the period ended 30 September 2018
Registered number: 10198534

	Notes	Period from 1 April 2017 to 30 September 2018	Unaudited Period from 21 May 2016 to 31 March 2017
		£	£
TURNOVER		-	-
Expenses		(59,771)	(713,926)
OPERATING LOSS	2	(59,771)	(713,926)
Interest receivable and similar income	3	1,139,185	457,311
		1,079,414	(256,615)
Interest payable and similar charges	4	(275,890)	(466,854)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAX		803,524	(723,469)
Deferred tax		(66,538)	66,138
PROFIT / (LOSS) AFTER TAX FOR THE PERIOD		<u>736,986</u>	<u>(657,331)</u>

All operations are classified as continuing.

The notes on pages 7 to 9 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 2018
Registered number: 10198534

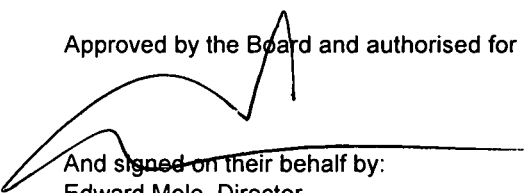
	Notes	30 September 2018 £	Unaudited 31 March 2017 £
FIXED ASSETS			
Investments	5	17,025,873	5,590,015
CURRENT ASSETS			
Debtors	6	452,139	12,111,876
Cash at bank and in hand		42,393	581,624
		<u>494,532</u>	<u>12,693,500</u>
CREDITORS			
Amounts falling due within one year	7	(3,025,486)	(3,910,476)
NET CURRENT ASSETS		(2,530,954)	8,783,024
CREDITORS			
Amounts falling due after one year	8	-	(15,030,368)
NET ASSETS		<u>14,494,919</u>	<u>(657,329)</u>
CAPITAL AND RESERVES			
Called up share capital		14,415,264	2
Profit and loss account		79,655	(657,331)
		<u>14,494,919</u>	<u>(657,329)</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 7 to 9 form part of these financial statements.

Approved by the Board and authorised for issue on

1/5/19


 And signed on their behalf by:
 Edward Mole, Director

Brook Wind Two Limited
Statement of Changes in Equity
As at 30 September 2018
Registered number: 10138767

Statement of changes in equity

	Share Capital £	Profit and Loss Account £	Total £
At 1 April 2016	-	-	-
Shares Issued Net of Issue Costs	2	-	2
Loss in the period	-	(657,331)	(657,331)
At 31 March 2017	<u>2</u>	<u>(657,331)</u>	<u>(657,329)</u>
At 1 April 2017	2	(657,331)	(657,329)
Shares Issued Net of Issue Costs	14,415,262	-	14,415,262
Profit in the period	-	736,986	736,986
At 30 September 2018	<u>14,415,264</u>	<u>79,655</u>	<u>14,494,919</u>

Brook Wind Two Limited
Notes to the financial statements
For the period ended 30 September 2018

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. Subsequent accounting periods will end on 30 September in future years. The financial results for the current period are not directly comparable to the prior period because the current period has been extended to 18 months and due to the prior year comparatives being unaudited.

b) Going Concern

These financial statements have been prepared on a going concern basis.

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:

	Period ended 30 September 2018 £	Period ended 31 March 2017 £
Auditor's remuneration	2,025	-
	2,025	-

Brook Wind Two Limited
Notes to the financial statements (continued)
For the period ended 30 September 2018

3. Interest receivable and similar income

	£	£
Interest on loans to 100% owned subsidiaries	807,585	457,311
Loan swap fair value movement	331,600	-
	<u>1,139,185</u>	<u>457,311</u>

4. Interest payable and similar charges

	£	£
Interest payable and charges	275,890	466,854
	<u>275,890</u>	<u>466,854</u>

5. Fixed asset investments

	£
Cost	
At 31 March 2017	5,590,015
Additions	11,435,858
At 30 September 2018	<u>17,025,873</u>
Net Book Value	
At 31 March 2017	5,590,015
In period	11,435,858
At 30 September 2018	<u>17,025,873</u>

6. Debtors

	30 September 2018	Unaudited 31 March 2017
	£	£
Amounts owed by group undertakings	331,599	11,887,900
Other debtors	105,132	84,212
VAT	15,408	-
Prepayments and accrued income	-	139,764
	<u>452,139</u>	<u>12,111,876</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 2018	Unaudited 31 March 2017
	£	£
Bank loans and overdrafts	-	660,619
Other Creditors	1,845	-
Amounts owed to group undertakings	3,023,641	3,099,641
Accruals and deferred income	-	150,216
	<u>3,025,486</u>	<u>3,910,476</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 period ended 30 September 2018

8. Creditors: amounts falling due after one year

	30 September 2018	Unaudited 31 March 2017
	£	£
Bank loans - 1-2 years	-	700,243
Bank loans - 2-5 years	-	2,335,160
Bank loans more than 5 years	-	11,994,965
	<hr/>	<hr/>
	-	15,030,368

Bank loans were repaid in full in the period to 30 September 2018.

9. Called up share capital

Allotted, issued and fully paid:

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

During the period 14,415,262 Ordinary shares were issued to Elm Trading Limited.

10. Controlling party

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

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.

11. 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.