

## **Hartmoor Generation Limited**

Directors' Report and Financial Statements

Year Ended

31 December 2021

Company Number 10893483

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**Hartmoor Generation Limited**

**Company Information**

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<b>Directors</b>	Alan Baker Jonathan Poley Alessandro Boninsegna
<b>Registered number</b>	10893483
<b>Registered office</b>	Masters House 107 Hammersmith Road London W14 0QH
<b>Independent auditor</b>	BDO LLP 55 Baker Street London W1U 7EU

# Hartmoor Generation Limited

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# Hartmoor Generation Limited

## Directors' Report For the Year Ended 31 December 2021

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The Directors present their report and the financial statements for the year ended 31 December 2021.

### Directors' responsibilities statement

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

### Principal activity

The principal activity of the Company during the year is the development and construction of a gas peaking power plant.

# Hartmoor Generation Limited

## Directors' Report (continued) For the Year Ended 31 December 2021

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### Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

The Directors confirm that they have complied with the requirements of Companies Act 2006. Based on the assessment they have made of the Company's financial situation; they have concluded they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing the accounts.

The ultimate controlling party Forsa UK Holdings Limited has confirmed that they will continue to provide adequate financial support to enable the Company to continue its normal trading operations for a period of not less than twelve months from the date on which the audited financial statements are approved.

The Directors have considered the impact, triggered by the current geo-political circumstances in Eastern Europe, of the energy market dynamics on the Company. In the short-term, the Company believes the impact of high gas prices will have minimal impact on the Company's ability to operate effectively. The Company's electricity sales prices are set each day based on the market price for gas that day. If the electricity market price is too low, the Company does not generate, consume gas or incur variable costs. Gas is only consumed if the electricity price is at an appropriate level to generate sustainable margins. As a result, sales volumes have not been affected by the current gas price spike and operating margins remain at a sustainable level.

In the long term, the Directors are of the opinion that the current situation amplifies the importance of the transition to renewable energy – where flexible generation and gas peaking plants in particular, have an important role to play.

The Company has considered the ongoing impact of COVID-19, and the impact it could have on the ability of the Company to continue as a going concern. Throughout the pandemic, the Company has been able to maintain the integrity of the operational projects, including operation and maintenance services and all planned commercial activities.

In the Directors' view, flexible power generation will remain essential to the UK's infrastructure. Even during a stress test, the Company would have sufficient cash available through its operating activities to continue as a going concern and pay all its commitments as they fall due for 12 months from signing these financial statements. As such, the Directors have adopted the going concern basis in preparing the Annual Report and Financial Statements.

## Hartmoor Generation Limited

### Directors' Report (continued) For the Year Ended 31 December 2021

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#### Directors

The Directors who served during the year were:

Alan Baker  
Jonathan Poley  
Alessandro Boninsegna

#### Qualifying third party indemnity provisions

The Company has arranged qualifying third party indemnity for all of its directors.

#### Disclosure of information to auditor

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

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that ought to have been 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.

#### Subsequent events

There have been no events subsequent to the year end that have impacted the Company. The Ukraine crisis does not have a direct impact on the Company, other than the increase in gas and electricity prices.

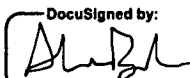
#### Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:  
  
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**Alan Baker**  
Director

Date: 13/07/2022

# Hartmoor Generation Limited

## Independent Auditor's Report to the Members of Hartmoor Generation Limited

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### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 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.

We have audited the financial statements of Hartmoor Generation Limited ("the Company") for the year ended 31 December 2021 which comprise the Income Statement and Statement of Comprehensive Income, the Statement of Financial Position, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We remain 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.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

## **Hartmoor Generation Limited**

### **Independent Auditor's Report to the Members of Hartmoor Generation Limited (continued)**

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#### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Report and financial statements, 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

#### **Other Companies Act 2006 reporting**

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.

In the 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 exemptions 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, 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.



## Hartmoor Generation Limited

### Independent Auditor's Report to the Members of Hartmoor Generation Limited (continued)

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#### 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.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting framework (Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Companies Act 2006);
- We determined how the Company is complying with those legal and regulatory frameworks by making enquiries of management, and those responsible for legal and compliance procedures, corroborating our enquiries through our review of board minutes;
- We used an engagement team with appropriate competence and capabilities to identify non-compliance with laws and regulations; and
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management from various parts of the business to understand where it is considered there was a susceptibility to fraud. We also considered the processes and controls that the entity has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how management monitors those process controls.
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to estimation of the carrying value of tangible assets, estimation of rehabilitation costs, judgements used in the going concern assumption and uncertain tax provisions.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

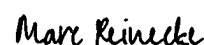
## Hartmoor Generation Limited

### Independent Auditor's Report to the Members of Hartmoor Generation Limited (continued)

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#### Use of our 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.

DocuSigned by:  
  
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**Marc Reinecke** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London  
United Kingdom

Date: 15 July 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Hartmoor Generation Limited

### Income Statement And Statement Of Comprehensive Income For the Year Ended 31 December 2021

	2021 £	2020 £
Administrative expenses	(258,023)	(38,272)
<b>Operating loss</b>	<b>(258,023)</b>	<b>(38,272)</b>
Interest receivable and similar income	179	-
Interest payable and similar expenses	-	(132,795)
<b>Loss before tax</b>	<b>(257,844)</b>	<b>(171,067)</b>
Tax on loss	-	-
<b>Loss for the financial year</b>	<b>(257,844)</b>	<b>(171,067)</b>

There was no other comprehensive income for 2021 (2020 - £Nil).

The notes on pages 11 to 18 form part of these financial statements.

# Hartmoor Generation Limited

Registered number: 10893483

## Statement of Financial Position As at 31 December 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	4	22,119,149	5,791,545
<b>Current assets</b>			
Project in development	5	-	1,680,820
Debtors: amounts falling due within one year	6	544,052	1,192,876
Bank and cash balances		6,293	12,508
		<u>550,345</u>	<u>2,886,204</u>
Creditors: amounts falling due within one year	7	<u>(22,876,958)</u>	<u>(8,968,036)</u>
<b>Net current liabilities</b>		<u>(22,326,613)</u>	<u>(6,081,832)</u>
<b>Total assets less current liabilities</b>		<u>(207,464)</u>	<u>(290,287)</u>
Creditors: amounts falling due after more than one year	8	<u>(390,000)</u>	<u>(49,333)</u>
<b>Net liabilities</b>		<u><u>(597,464)</u></u>	<u><u>(339,620)</u></u>
<b>Capital and reserves</b>			
Share capital	9	1,000	1,000
Profit and loss account		<u>(598,464)</u>	<u>(340,620)</u>
		<u><u>(597,464)</u></u>	<u><u>(339,620)</u></u>

The financial statements 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 financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:  
  
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**Alan Baker**  
 Director

Date: 13/07/2022

The notes on pages 11 to 18 form part of these financial statements.

## Hartmoor Generation Limited

### Statement of Changes in Equity For the Year Ended 31 December 2021

	Share capital £	Profit and loss account £	Total equity £
<b>At 1 January 2020</b>	1,000	(169,553)	(168,553)
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(171,067)	(171,067)
<b>At 1 January 2021</b>	1,000	(340,620)	(339,620)
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(257,844)	(257,844)
<b>At 31 December 2021</b>	1,000	(598,464)	(597,464)

The notes on pages 11 to 18 form part of these financial statements.

# Hartmoor Generation Limited

## Notes to the Financial Statements For the Year Ended 31 December 2021

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### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

The Company financial statements are prepared for Hartmoor Generation Limited for the year ended 31 December 2021. The financial statements are presented in Pound Sterling, the presentation and functional currency of the Company with figures rounded to the nearest pound. The Company is a private company limited by shares and is incorporated in the United Kingdom.

The accounts have been prepared in accordance with FRS 102 1A, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. There are no material departures from these standards.

#### 1.2 Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

The Directors confirm that they have complied with the requirements of Companies Act 2006. Based on the assessment they have made of the Company's financial situation; they have concluded they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing the accounts.

The ultimate controlling party Forsa UK Holdings Limited has confirmed that they will continue to provide adequate financial support to enable the Company to continue its normal trading operations for a period of not less than twelve months from the date on which the audited financial statements are approved.

The Directors have considered the impact, triggered by the current geo-political circumstances in Eastern Europe, of the energy market dynamics on the Company. In the short-term, the Company believes the impact of high gas prices will have minimal impact on the Company's ability to operate effectively. The Company's electricity sales prices are set each day based on the market price for gas that day. If the electricity market price is too low, the Company does not generate, consume gas or incur variable costs. Gas is only consumed if the electricity price is at an appropriate level to generate sustainable margins. As a result, sales volumes have not been affected by the current gas price spike and operating margins remain at a sustainable level.

In the long term, the Directors are of the opinion that the current situation amplifies the importance of the transition to renewable energy – where flexible generation and gas peaking plants in particular, have an important role to play.

The Company has considered the ongoing impact of COVID-19, and the impact it could have on the ability of the Company to continue as a going concern. Throughout the pandemic, the Company has been able to maintain the integrity of the operational projects, including operation and maintenance services and all planned commercial activities.

In the Directors' view, flexible power generation will remain essential to the UK's infrastructure. Even during a stress test, the Company would have sufficient cash available through its operating activities to continue as a going concern and pay all its commitments as they fall due for 12 months from signing these financial statements. As such, the Directors have adopted the going concern basis in preparing the Annual Report and Financial Statements.

# Hartmoor Generation Limited

## Notes to the Financial Statements For the Year Ended 31 December 2021

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### 1. Accounting policies (continued)

#### 1.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### 1.4 Interest income

Interest income is recognised in the Income Statement and Statement of Comprehensive Income using the effective interest method.

#### 1.5 Interest payable

Interest costs in relation to loans from other group entities are recognised in the Income Statement and Statement of Comprehensive Income as they accrue. Interest income and expenditure relates to cash at bank and loans to and from other group entities.

#### 1.6 Loans

Loans with other group entities are considered "basic" financial instruments as defined under FRS 102 par 11.5 and 11.8 and are recognised at amortised cost.

#### 1.7 Capitalisation of finance costs and interest expense

Interest is capitalised gross of related tax relief and before any effective interest method calculation adjustments during the period of construction where it relates either to the financing of major projects with long periods of development or to dedicated financing of other projects. All other interest is charged against income in the year in which it is incurred.

#### 1.8 Decommissioning provision

A rehabilitation or decommissioning provision has been accounted for where a project has a legal liability under a project lease, to return the leased lands to their original condition prior to signing the lease. At the end of the lease, costs are incurred in disconnecting the site from grid and gas, removing the engines from site and removing all other equipment. Forsa recognises the full discounted cost of decommissioning as an asset and liability when the obligation to decommission the site arises. The decommissioning asset is included within property, plant & equipment - development assets with the costs of the related project. The liability is included within provisions. Revisions to the estimated costs of decommissioning which alter the level of the provisions required are also reflected in adjustments to the decommissioning asset. The depreciated of the asset is calculated over the term of the land lease and is recognised on the Income Statement and Statement of Comprehensive Income

# Hartmoor Generation Limited

## Notes to the Financial Statements For the Year Ended 31 December 2021

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### 1. Accounting policies (continued)

#### 1.9 Property, plant & equipment

##### Projects under construction

Costs related to projects under construction are capitalised where, in the opinion of the Directors, the related project is highly likely to be successfully constructed and the economic benefits arising from future operations will at least equal the amount of capitalised expenditure incurred to date and the cost can be measured reliably. Subsequently they are measured at cost as Property, Plant and equipment.

The Group does not charge any depreciation on its projects under construction as the projects are not operational yet and the economic benefit of the assets have not yet started to flow into the business.

Once a project is completed and becomes operational, it will be considered an operational gas peaking power plant and is depreciated over its useful economic life, which the Group currently estimates to be 20 years. The useful life is based on industry standards and research which indicates that gas peaking power plants have a life of 20 years if not longer.

#### 1.10 Current and deferred taxation

Tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the balance sheet date.

Deferred tax is accounted for in respect of all timing differences that have originated but not reversed by balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Current and deferred tax balances are not discounted.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the difference between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

#### 1.11 Debtors

Short term debtors are measured at transaction price, less any impairment.

#### 1.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.



# Hartmoor Generation Limited

## Notes to the Financial Statements For the Year Ended 31 December 2021

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### 1. Accounting policies (continued)

#### 1.13 Creditors

Short-term creditors, including intercompany loans payable, are measured at the transaction price, including transaction costs. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 1.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement and Statement of Comprehensive Income.

### 2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Directors have made the following judgements:

#### *Impairment of assets*

There are not considered to be any indicators of impairment of the Company's fixed and current assets. Factors taken into consideration in reaching such a decision include economic viability and expected future financial performance of the asset, which is largely driven by power curves provided by an independent consultant as well as the discount rate used in discounting future cash flows.

#### *Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

#### *Decommissioning provision*

Revisions to the estimated costs of decommissioning which alter the level of the provisions required are also reflected in adjustments to the decommissioning asset.

#### *Going concern*

Refer to note 1.2.

### 3. Employees

The Company had no employees during the year (2020 - Nil). No remuneration or pension was paid to the Directors for their services to the Company during the year (2020 - £Nil). The Directors of the Company receive remuneration from a separate limited Company.

# Hartmoor Generation Limited

## Notes to the Financial Statements For the Year Ended 31 December 2021

### 4. Tangible assets

	Projects under construction £
<b>Cost or valuation</b>	
At 1 January 2021	5,791,545
Additions	14,646,684
Transfers from projects in development	1,680,920
At 31 December 2021	<u>22,119,149</u>
<b>Net book value</b>	
At 31 December 2021	<u>22,119,149</u>
At 31 December 2020	<u>5,791,545</u>

During the year a total of £1,058,486 (2020 - £84,354) of intercompany loan interest was capitalised in the projects under construction balance within fixed assets.

### 5. Projects in development

	2021 £	2020 £
Opening balance	1,680,920	1,954,544
Development costs recharged to SPVS	-	(273,624)
Transferred to projects under construction	(1,680,920)	-
	<u>-</u>	<u>1,680,920</u>

# Hartmoor Generation Limited

## Notes to the Financial Statements For the Year Ended 31 December 2021

### 6. Debtors: amounts falling due within one year

	2021 £	2020 £
Other debtors	130,390	1,192,876
Prepayments and accrued income	413,662	-
	<u>544,052</u>	<u>1,192,876</u>

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

	2021 £	2020 £
Trade creditors	116,670	15,010
Amounts owed to group undertakings	22,366,717	8,911,360
Other creditors	15,174	-
Accruals and deferred income	378,397	41,666
	<u>22,876,958</u>	<u>8,968,036</u>

Amounts owed to group undertakings of £13,090,668 (2020 - £8,911,360) relates to a 9% (2020 - 9%) interest-bearing loan that is unsecured and repayable on demand. Further amounts owed to group undertakings of £9,276,049 (2020 - £Nil) relate to a 6% interest-bearing loan that is unsecured and repayable on demand. The loan attracting 6% interest relates to financing ultimately received from Close Brothers while the loan attracting 9% interest relates to financing ultimately received from the parent company.

The Company, through its parent entity Forsa Energy Gas Acquisitions Holdco 4, entered into a £15,369,000 finance facility for the construction of a gas peaking power plant. This is made up of a development facility of £14.2 million and a VAT facility of £1.2 million. As at 31 December 2021, £8,966,199 (2020 - £Nil) had been drawn on the development facility and £133,522 (2020 - £Nil) on the VAT Facility. These facilities will mature in 2022 and will be repaid and refinanced into a Term Loan.

### 8. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Decommissioning provision	<u>390,000</u>	<u>49,333</u>

The decommissioning provision comprises of £49,333 (2020 - £Nil) in provisions brought forward and £340,667 (2020 - £49,333) charged during the year. Charges of £340,667 (2020 - £49,333) are included within decommissioning of assets under projects under construction.

# Hartmoor Generation Limited

## Notes to the Financial Statements For the Year Ended 31 December 2021

### 9. Share capital

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

### 10. Capital commitments

At 31 December 2021, the Company had capital commitments as follows:

	2021 £	2020 £
EPC - engines	1,528,500	7,133,107
EPC - BOP	2,354,621	9,282,072
Gas	15,504	162,791
	<u>3,898,625</u>	<u>16,577,970</u>

### 11. Commitments under operating leases

At 31 December 2021, the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	91,895	40,000
Later than 1 year and not later than 5 years	494,328	457,109
Later than 5 years	2,207,170	2,336,284
	<u>2,793,393</u>	<u>2,833,393</u>

### 12. Related party transactions

The Company has taken exemption under FRS 102 section 1AC.35 from disclosing transactions with group companies, on the grounds that each company party to the transactions is wholly owned within the Group.

### 13. Subsequent events

The plants became operational on 13 January 2022.

There have been no events subsequent to the year end that have impacted the Company. The Ukraine crisis does not have a direct impact on the Company, other than the increase in gas and electricity prices.

## **Hartmoor Generation Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2021**

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#### **14. Controlling party**

The Company's immediate parent undertaking is Hartmoor Holdings Limited. The largest and smallest group of which the Company is a member for which group financial statements are prepared is Forsa UK Holdings Limited. Copies of the financial statements of Forsa UK Holdings Limited can be obtained from the Company's registered office 3 More London Riverside, London, SE1 2AQ.

The Company's ultimate parent undertaking and controlling party at the year end was Tiger Infrastructure Associates GP III LP, a limited partnership established in the USA - Delaware.