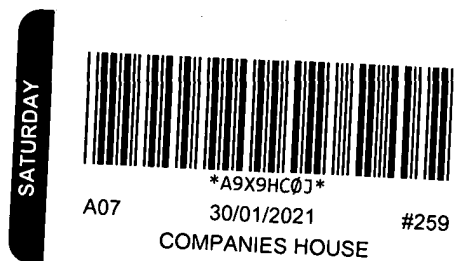


Registered number: 11224109

ACP (SCOT WIND) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2020



ACP (SCOT WIND) LIMITED

COMPANY INFORMATION

Directors	D Gudgin C R Hart-George K W Yu
Registered number	11224109
Registered office	1 Benjamin Street London EC1M 5QL
Independent auditors	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London E14 4HD

ACP (SCOT WIND) LIMITED

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ACP (SCOT WIND) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2020

The directors present their report and the financial statements for the year ended 31 January 2020.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

Directors

The directors who served during the year were:

D Gudgin
C R Hart-George
K W Yu

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

The auditors, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

ACP (SCOT WIND) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2020**

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 on 27 January 2021 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'C.R. Hart-George', written in a cursive style.

C.R. Hart-George
Director

ACP (SCOT WIND) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS, AS A BODY, OF ACP (SCOT WIND) LIMITED

Opinion

We have audited the financial statements of ACP (Scot Wind) Limited (the 'Company') for the year ended 31 January 2020, which comprise the Statement of Comprehensive Income, the Balance Sheet and the related notes, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2020 and of its profit 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Auditors' 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.

ACP (SCOT WIND) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS, AS A BODY, OF ACP (SCOT WIND) LIMITED (CONTINUED)

We have nothing to report in this regard.

Opinion 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 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 on page 1, 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.

Auditors' 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 Auditors' 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 Auditors' Report.

ACP (SCOT WIND) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS, AS A BODY, OF ACP (SCOT WIND) LIMITED
(CONTINUED)**

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 Auditors' 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.



Mark Ling (Senior Statutory Auditor)

for and on behalf of
PKF Littlejohn LLP

15 Westferry Circus
Canary Wharf
London
E14 4HD

Date: *27 January 2021*

ACP (SCOT WIND) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2020**

	2020 £	2019 £
Turnover	510,593	419,389
Gross profit	510,593	419,389
Administrative expenses	(333,323)	(549,207)
Operating profit/(loss)	177,270	(129,818)
Net profit on disposal of investments	645,141	-
Interest receivable and similar income	41,162	9,598
Interest payable and expenses	(584,714)	(251,764)
Profit/(loss) before tax	278,859	(371,984)
Tax on profit/(loss)	(22,090)	(54,150)
Profit/(loss) for the financial year	256,769	(426,134)

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 8 to 15 form part of these financial statements.

ACP (SCOT WIND) LIMITED
REGISTERED NUMBER: 11224109

BALANCE SHEET
AS AT 31 JANUARY 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	1,906,022	2,028,364
Investments	5	-	9,105,267
		<u>1,906,022</u>	<u>11,133,631</u>
Current assets			
Debtors: amounts falling due within one year	6	257,223	1,009,033
Cash at bank and in hand		218,733	755,626
		<u>475,956</u>	<u>1,764,659</u>
Creditors: amounts falling due within one year	7	(233,736)	(10,840,174)
Net current assets/(liabilities)		<u>242,220</u>	<u>(9,075,515)</u>
Total assets less current liabilities		<u>2,148,242</u>	<u>2,058,116</u>
Creditors: amounts falling due after more than one year	8	(2,241,267)	(2,430,000)
Provisions for liabilities			
Deferred tax	10	(76,240)	(54,150)
		<u>(76,240)</u>	<u>(54,150)</u>
Net liabilities		<u>(169,265)</u>	<u>(426,034)</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(169,365)	(426,134)
		<u>(169,265)</u>	<u>(426,034)</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 on 27/01/21



C.R.Hart-George

Director

The notes on pages 8 to 15 form part of these financial statements.

ACP (SCOT WIND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

1. General information

ACP (Scot Wind) Limited ("the Company") is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 1 Benjamin Street, London, England, EC1M 5QL.

The principal activity of the Company is the production of electricity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The Director has at the time of approving the financial statements a reasonable expectation that the Company has adequate resources to continue operational existence for the foreseeable future. Thus he continues to adopt the going concern basis in preparing the financial statements.

The Company believes that the events arising from the COVID-19 outbreak do not impact its use of the going concern basis of preparation nor do they cast significant doubt about the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

The Company is in a net current asset position, but overall net liability position, which is largely due to the long-term loan stock payable to group companies. The ultimate parent Company Albion Community Power has confirmed its continued support.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue

Revenue related to power generation contracts is recognised in line with contracts. Estimates of revenue and costs to be incurred on contracts are regularly reviewed and revised. Any revisions are recognised in the period that caused the revision in estimate to occur. Revenue is recognised in the Statement of Comprehensive Income exclusive of VAT.

2.5 Interest income

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

2.6 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and 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.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences 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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Tangible fixed assets

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and capitalised borrowing costs. All items are carried at depreciated cost, except plant and equipment under construction which are carried at cost.

Depreciation is provided on a straight line basis to write off the cost, less estimated residual values, of property, plant and equipment over their expected useful lives, e.g. 20 years.

Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable amount. At each reporting date, the Company reviews the carrying amounts of its tangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

2. Accounting policies (continued)

2.10 Valuation of investments

In respect of investments in subsidiaries, loans and equity are accounted for as a whole as the two items are considered to be indistinguishable and hence the valuation is prepared on a total basis. Investments in subsidiaries have been designated as fair value through profit and loss account and are revalued at the balance sheet date. Fair value is determined by the reference to the fair value of the underlying net assets held by the subsidiary undertakings. Revaluation movements are recognised in the profit and loss account but represent unrealised gains and losses.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 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.

2.13 Creditors

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

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.15 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 ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

2. Accounting policies (continued)

2.15 Financial instruments (continued)

director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2019 - 3).

ACP (SCOT WIND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

4. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 February 2019	2,135,578
At 31 January 2020	<u>2,135,578</u>
Depreciation	
At 1 February 2019	107,214
Charge for the year on owned assets	122,342
At 31 January 2020	<u>229,556</u>
Net book value	
At 31 January 2020	<u><u>1,906,022</u></u>
At 31 January 2019	<u><u>2,028,364</u></u>

5. Fixed asset investments

	Investments in subsidiary companies £
At 1 February 2019	9,105,267
Disposals	(9,105,267)
At 31 January 2020	<u><u>-</u></u>

ACP (SCOT WIND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

6. Debtors

	2020 £	2019 £
Trade debtors	-	59,365
Amounts owed by group undertakings	146,659	844,568
Other debtors	14,600	14,600
Prepayments and accrued income	95,964	90,500
	<u>257,223</u>	<u>1,009,033</u>

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	20,828	11,443
Current portion of intercompany loan stock (note 8)	188,733	10,492,267
Other taxation and social security	4,861	10,759
Other creditors	3,598	99,233
Accruals and deferred income	15,716	226,472
	<u>233,736</u>	<u>10,840,174</u>

8. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Long term intercompany loan stock	2,241,267	2,430,000
	<u>2,241,267</u>	<u>2,430,000</u>

9. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at amortised cost	<u>449,100</u>	<u>1,740,328</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>2,470,142</u>	<u>13,259,415</u>

ACP (SCOT WIND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

10. Deferred taxation

	2020 £
At beginning of year	(54,150)
Charged to profit or loss	(22,090)
At end of year	(76,240)

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(76,240)	(42,646)
Short term timing differences	-	(11,504)
	<u>(76,240)</u>	<u>(54,150)</u>

11. Controlling party

As at 31 January 2020, the immediate parent company is ACP I Shareco Limited. Albion Community Power Limited is regarded as the Company's ultimate controlling party.