



West Benhar Windfarm Partnership LLP

Annual Report and Financial Statements

Registered number OC361411

31 December 2022

THURSDAY



AC9M87TK

A11

10/08/2023

#76

COMPANIES HOUSE

West Benhar Windfarm Partnership LLP
Members' report and financial statements
31 December 2022
Registered number OC361411

Contents

Limited liability partnership information	1
Members Report	2 to 4
Statement of Members' responsibilities in respect of the members' report and the financial statements	5
Independent auditor's report to the member of West Benhar Windfarm Partnership LLP	6 to 9
Profit and Loss Account and Other Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 to 21

West Benhar Windfarm Partnership LLP
Members' report and financial statements
31 December 2022
Registered number OC361411

Limited liability partnership information

Designated members	West Benhar Windfarm Limited EDF ER Development Limited
Auditors	KPMG LLP 66 Queen Square Bristol BS1 4BE
Registered office	Alexander House 1 Mandarin Road Rainton Bridge Business Park Houghton le Spring Sunderland DH4 5RA

West Benhar Windfarm Partnership LLP
Members' report and financial statements
31 December 2022
Registered number OC361411

Members' report

The Members present their report together with the financial statements for the year ended 31 December 2022 for West Benhar Windfarm Partnership LLP (the "Partnership").

The Partnership is entitled to the Small Companies exemption from the requirement to prepare a Strategic Report.

Business Review and Principal Activities

The Partnership's principal activity is the development, construction and operation of a 30MW windfarm near Shotts in North Lanarkshire. Construction of the windfarm began in March 2021.

Principal risks and uncertainties

Climate Change

The Partnership, as a part of EDF Renewables UK group, is committed to accelerating a net zero future where clean energy powers our lives. The Partnership will generate renewable energy products and the principal activities of the Partnership will aim to directly combat the impact of climate change by leading the way in the delivery and operation of renewable technologies. The current UK regulatory and political environments are aligned with the objectives of the Partnership and the Members see the commitment to a growth in renewable energy as a significant opportunity for the Partnership.

Finance Risk

The Partnership's activities expose it to a number of financial risks including credit risk, cash flow risk, foreign exchange risk and liquidity risk. The Partnership adopts a prudent approach to liquidity management and mitigates against cash flow and liquidity risk by continuously monitoring forecasted and actual cash flows and maintaining sufficient cash reserves to meet its obligations. The Partnership's main exposure to credit risk is its cash balances with banks. The risk is mitigated through using a bank with a good credit rating.

Construction risk

Technical issues arise on plant and equipment and connecting to the National Grid Infrastructure during construction. In addition, due to the Partnership constructing renewable energy projects, risks related to the environment and weather are also applicable. These risks may cause delays in the project timetable, business interruption and additional costs. To mitigate this risk, regular reviews are undertaken in order to ensure that the construction team and its third party service providers are appropriately managing the project output.

Health and safety risks

The health and safety of all contractors and the public is a key risk given the nature of the Partnership's business. To minimise this risk, the Partnership is committed to creating a culture that views safe working as the only way of working and to reviewing all processes and procedures to ensure it delivers this. Training is provided to ensure the safety of the contractors that are set to work. In addition, a confidential helpline has been set up for the use of anyone within the organisation to help eradicate unsafe practices and safeguard all contractors who work at the wind farm site. The Members also review health and safety performance at each of its scheduled Members' meetings.

West Benhar Windfarm Partnership LLP
Members' report and financial statements
31 December 2022
Registered number OC361411

Members' report (continued)

Business Environment, Performance and Key Performance Indicators

The Members believe that as the windfarm is in construction, key performance indicators for the Partnership are not appropriate for an understanding of the development, performance or position of the business.

There are no major health and safety incidents to report in the year.

Future outlook

In 2023 the construction of the windfarm will continue on site. When the windfarm is operational, revenues from Renewable Energy products generated have already been secured through a Power Purchase Agreement (PPA).

Results and allocation to Members

The result for the year amounted to a profit of £398,000 (2021: loss of £940,000). The profit for the year remains unallocated to Members.

Designated Members

The designated Members who held office during the year and subsequently to the date of this report were as follows:

West Benhar Windfarm Limited
EDF ER Development Limited

Going concern

The financial statements have been prepared on a going concern basis which the members consider to be appropriate for the following reasons.

The members have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Partnership will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the parent company of the LLP's members (EDF Energy Renewables Limited), providing additional financial support during that period. EDF Energy Renewables Limited has indicated its intention to continue to make available such funds as are needed by the LLP for the period covered by the forecasts. As with any entity placing reliance on other entities for financial support, the members acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe it will not do so.

Consequently, the members are confident that the Partnership will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Members' interest

Each member shall be entitled to receive distributions of profits when they are declared by the Board. Such distributions shall be in proportion to each Member's interest on the day which the particular distribution takes place.

Political donations

The Partnership made no political contributions in the year (2021: £Nil)

West Benhar Windfarm Partnership LLP
Members' report and financial statements
31 December 2022
Registered number OC361411

Members' report (continued)

Disclosure of information to the auditors

Each Member at the date of approval of this annual report confirms that:

- so far as each Member is aware, there is no relevant audit information of which the Partnership's auditor is unaware; and
- the Members have taken all the steps that they ought to have taken as a Member in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

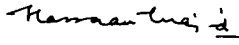
This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditor

It is noted that KPMG LLP as appointed by the Members are deemed to be re-appointed as the auditor to the Partnership for the financial year ended 31 December 2023 in accordance with the provisions of Section 487(2) of the Companies Act 2006 and that the Members have been authorised to set the remuneration of the auditor.

27 July 2023

Approved by the Members on signed on behalf of EDF ER Development Limited and West Benhar Windfarm Limited by:

DocuSigned by:

CEAC4258A28A443.....
Hassaan Majid

Alexander House
1 Mandarin Road
Rainton Bridge Business Park
Houghton le Spring
Sunderland
DH4 5RA

West Benhar Windfarm Partnership LLP
Members' report and financial statements
31 December 2022
Registered number OC361411

Statement of Members' responsibilities in respect of the members' report and financial statements

The Members are responsible for preparing the report of the Members and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the Members 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 LLP and of its profit or loss for that period. In preparing these financial statements, the Members are required to:

- select suitable accounting policies and apply them consistently
- make judgments and estimates that are reasonable and prudent;
- assess the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST BENHAR WINDFARM PARTNERSHIP LLP

Opinion

We have audited the financial statements of West Benhar Windfarm Partnership LLP ("the LLP") for the year ended 31 December 2022 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, of the state of affairs of the LLP as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the LLP in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The members have prepared the financial statements on the going concern basis as they do not intend to liquidate the LLP or to cease its operations, and as they have concluded that the LLP's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the members' conclusions, we considered the inherent risks to the LLP's business model and analysed how those risks might affect the LLP's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the members' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the LLP's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the LLP will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST BENHAR WINDFARM PARTNERSHIP LLP *(continued)*

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of members as to the LLP's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the members and other management (as required by auditing standards), and discussed with the members and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The LLP is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the LLP is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST BENHAR WINDFARM PARTNERSHIP LLP *(continued)*

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The members are responsible for the other information, which comprises the members' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required 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
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Members' responsibilities

As explained more fully in their statement set out on page 5, the members are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the LLP'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 they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST BENHAR WINDFARM PARTNERSHIP LLP (*continued*)

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the members of the LLP, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.



James Ledward (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

28 July 2023

West Benhar Windfarm Partnership LLP
 Members' report and financial statements
 31 December 2022
 Registered number OC361411

Profit and Loss Account and Other Comprehensive Income
for the Year Ended 31 December 2022

		Year ended 31 December	Year ended 31 December
	Note	2022 £ 000	2021 £ 000
Turnover		-	-
Gross profit/(loss)		-	-
Administrative expenses		(10)	-
Operating loss	2	(10)	-
Interest payable and similar charges	3	-	(940)
Interest receivable and other income	3	408	-
Profit/(loss) for the financial year		398	(940)
<i>Other comprehensive income</i>			
Effective portion of changes in fair value of cash flow hedges		1,088	(1,022)
Total comprehensive income/(loss) for the year		1,486	(1,962)

The notes on pages 13 to 21 form an integral part of these financial statements.

West Benhar Windfarm Partnership LLP
 Members' report and financial statements
 31 December 2022
 Registered number OC361411

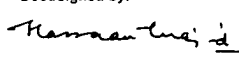
Balance Sheet

as at 31 December 2022

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Tangible assets	4	<u>44,104</u>	<u>17,913</u>
Current assets			
Debtors	5	418	334
Cash at bank and in hand		<u>2,703</u>	<u>8,030</u>
		3,121	8,364
Creditors Amount falling due within one year	6	<u>(3,520)</u>	<u>(6,451)</u>
Net current (liabilities)/assets		<u>(399)</u>	<u>1,913</u>
Total assets less current liabilities		<u>43,705</u>	<u>19,826</u>
Creditors: Amounts falling due after more than one year	7	<u>(41,656)</u>	<u>(21,788)</u>
Provisions for liabilities	8	<u>(2,525)</u>	<u>-</u>
Net liabilities attributable to members		<u>(476)</u>	<u>(1,962)</u>
Member's other interest			
Cash flow hedging reserve		66	(1,022)
Profit and Loss Account		<u>(542)</u>	<u>(940)</u>
Total Members Interests		<u>(476)</u>	<u>(1,962)</u>

The notes on pages 13 to 21 form an integral part of these financial statements.

The financial statements of West Benhar Windfarm Partnership LLP (registered number OC361411) were approved by the Members on 27 July 2023 and signed on behalf of EDF ER Development Limited and West Benhar Windfarm Limited by:

DocuSigned by:

 CEAC4259A2BA443...
 Hassaan Majid

West Benhar Windfarm Partnership LLP
 Members' report and financial statements
 31 December 2022
 Registered number OC361411

Statement of Changes in Equity
 for the Year Ended 31 December 2022

	Members capital (classified as equity) £ 000	Cash flow hedging reserve £ 000	Profit and loss account £ 000	Total equity £ 000
Balance as at 1 January 2022	-	(1,022)	(940)	(1,962)
Profit for the year	-	-	398	398
Other comprehensive income	-	1,088	-	1,088
Members' interest at 31 December 2022	-	66	(542)	(476)

	Member's capital (classified as equity) £ 000	Cash flow hedging reserve £ 000	Profit and loss account £ 000	Total equity £ 000
Balance as at 1 January 2021	-	-	-	-
Loss for the year	-	-	(940)	(940)
Other comprehensive income	-	(1,022)	-	(1,022)
Members' interest at 31 December 2021	-	(1,022)	(940)	(1,962)

The notes on pages 13 to 21 form an integral part of these financial statements.

West Benhar Windfarm Partnership LLP
Members' report and financial statements
31 December 2022
Registered number OC361411

Notes to the Financial Statements

1 Accounting policies

General information and basis of accounting

West Benhar Windfarm Partnership LLP is a limited liability partnership, domiciled and registered in England in the UK and resident in the UK for tax purposes. The address of the registered office is Alexander House, 1 Mandarin Road, Rainton Bridge Business Park, Houghton le Spring, DH4 5RA. The nature of the Partnership's operations and its principal activities are set out in the Members' Report on pages 2 to 4.

The Partnership meets the definition of a qualifying entity under FRS 102, and therefore has taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in these separate Partnership financial statements in relation to presentation of a cash flow statement and remuneration of key management personnel.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102")*, Companies Act 2006 as applied by limited liability partnerships and the Statements of Recommended Practice (SORP), Accounting by Limited Liability Partnerships, issued in July 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

Judgements made by the Members, in the application of these accounting policies, which have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 12.

Measurement convention

The financial statements are prepared on the historical cost basis.

Research and development

Expenditure on research of new projects is written off to the profit and loss account during the period in which it is incurred. Development expenditure is capitalised as Work in Progress only where there is a clearly defined project, the expenditure is separately identifiable, the outcome of the project can be assessed with reasonable certainty, aggregate costs are expected not to exceed related future sales and adequate resources exist to enable the project to be completed.

Cash and cash equivalents

Cash comprises cash in hand and deposits held which are repayable on demand.

Capitalised costs

All expenditure directly attributable to bringing the windfarm into the location and condition necessary for use is capitalised. Costs include turbine costs, land operating lease rentals, grid connection, civil engineering, cabling, lease related costs, community funds, telecoms, direct labour and the cost of materials.

West Benhar Windfarm Partnership LLP
Members' report and financial statements
31 December 2022
Registered number OC361411

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis which the members consider to be appropriate for the following reasons.

The members have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Partnership will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the parent company of the LLP's members (EDF Energy Renewables Limited), providing additional financial support during that period. EDF Energy Renewables Limited has indicated its intention to continue to make available such funds as are needed by the LLP for the period covered by the forecasts. As with any entity placing reliance on other entities for financial support, the members acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe it will not do so.

Consequently, the members are confident that the Partnership will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Members' remuneration and Members' interest

Members' interest earned on Members' balances is treated as Member's remuneration charged as an expense to the Profit and Loss account in arriving at results available for discretionary division amongst Members.

Amounts due from Members are classified as part of Members' Interests in advances to Members. This classification is on the basis that the amounts advanced to Members are more appropriately considered part of the Members' Interests rather than as a current asset. As profits are distributed to the Members such distributions are applied firstly against these advances to Members.

Distributions of profit are payable to Members when such distributions are declared by the Board. The distributions are made in proportion to the Members' Interest on the day on which the distribution takes place. The overall policy for Members' drawings takes into account the need to maintain sufficient funds to finance working capital and other needs of the Partnership.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and provision for impairment. The carrying values of tangible fixed assets are reviewed at each reporting date for impairment.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of acquisition of each asset less estimated residual value, evenly over its expected useful life, as follows:

Windfarms- 25 years

No depreciation is charged on assets in the course of construction until the asset becomes operational.

Financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Impairment

A financial asset (including trade and other debtors) not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

West Benhar Windfarm Partnership LLP
 Members' report and financial statements
 31 December 2022
 Registered number OC361411

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Derivative financial instruments and hedging

Hedging

The group has entered into forward currency contracts to manage its exposure to currency payments required under construction contracts. These derivatives are measured at value at each reporting date. To the extent the hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. This amount is reclassified from the cash flow hedge reserve to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. Any ineffective portions of those movements are recognised in profit or loss for the period.

2 Operating profit/(loss)

Audit fees of £10,000 (2021: £11,000) were borne by EDF Energy Renewables Limited.

3 Finance costs

	2022 £ 000	2021 £ 000
Borrowing costs included in cost of qualifying asset	(1,127)	(148)
Effective interest rate adjustment	(408)	940
Interest payable on loans from group undertakings	1,127	148
	<u>(408)</u>	<u>940</u>

West Benhar Windfarm Partnership LLP
 Members' report and financial statements
 31 December 2022
 Registered number OC361411

Notes to the Financial Statements (continued)

4 Tangible assets

	Assets under construction £ 000	Total £ 000
Cost		
At 1 January 2022	17,913	17,913
Additions	26,191	26,191
At 31 December 2022	44,104	44,104
Depreciation		
At 1 January 2022	-	-
At 31 December 2022	-	-
Carrying amount		
At 31 December 2022	44,104	44,104
At 31 December 2021	17,913	17,913

Interest of £1,127,000 was capitalised during the year (2021: £148,000).

Included within assets under construction is a decommissioning provision with a net book value of £2,525,000 (2021: £Nil).

5 Debtors

	2022 £ 000	2021 £ 000
Derivative asset	66	-
Other taxation	337	334
Amounts owed by group undertakings	11 15	-
	418	334

West Benhar Windfarm Partnership LLP
 Members' report and financial statements
 31 December 2022
 Registered number OC361411

Notes to the Financial Statements (continued)

6 Creditors: amounts falling due within one year

	2022 £ 000	2021 £ 000
Trade creditors	23	1,178
Amounts owed to group undertakings	-	2,062
Accruals	3,497	2,189
Derivative liability	-	1,022
	<u>3,520</u>	<u>6,451</u>

7 Creditors: amounts falling due after more than one year

	2022 £ 000	2021 £ 000
Amounts owed to group undertakings	<u>41,656</u>	<u>21,788</u>
	<u>41,656</u>	<u>21,788</u>

The current shareholder loan attracts interest on a daily basis at a rate of 1.8% plus SONIA. The loan and interest is repayable on the maturity date in 2031.

8 Provisions for liabilities

	2022 £ 000
Decommissioning	<u>2,525</u>
Total provisions	<u>2,525</u>

Decommissioning provision is made for the net present value of the estimated future decommissioning costs at the end of the operating life of the wind farm. The provision is calculated using estimated costs of decommissioning. An average inflation rate of 3.3% (2021: Nil) has been applied and then this has been discounted at a pre-tax rate of 4.0% (2021: Nil).

The movements in the provision during the current year are as follows:

	£ 000
At 1 January 2022	-
New provision recognised	<u>2,525</u>
At 31 December 2022	<u>2,525</u>

West Benhar Windfarm Partnership LLP
 Members' report and financial statements
 31 December 2022
 Registered number OC361411

Notes to the Financial Statements (continued)

9 Financial Commitments

Total amounts contracted for but not provided for in the financial statements amounted to £5,969,000 (2021: £18,410,000). These relate to £1,725,000 (2021: £13,068,000) of commitments for turbine supply and installation and £4,244,000 (2021: £5,342,000) of other construction contracts.

The Company has outstanding forward currency contracts to purchase EUR 1,900,000 (2021: EUR 14,250,000) being £1,634,000 (2021: £11,970,000) converted at the year-end date.

	2022 Inflow £ 000	2022 Outflow £ 000	2021 Inflow £ 000	2021 Outflow £ 000
Less than one year	1,695	(1,629)	12,005	(13,027)
	<u>1,695</u>	<u>(1,629)</u>	<u>12,005</u>	<u>(13,027)</u>

10 Reconciliation of Members' interests

Movement of Members' interests during the current period:

	Members' capital (classified as equity) £ 000	Cash flow hedge reserve (classified as equity) £ 000	Other reserves (classified as equity) £ 000	Total equity £ 000	Debt loans £ 000	Total Members' interest £ 000
Balance as at 1 January 2022	-	(1,022)	(940)	(1,962)	21,788	19,826
Loan interest	-	-	-	-	1,127	1,127
Capital contribution	-	-	-	-	18,741	18,741
Profit for the year available for discretionary division among members	-	-	398	398	-	398
Cash flow hedge reserve movement	-	1,088	-	1,088	-	1,088
As at 31 December 2022	<u>-</u>	<u>66</u>	<u>(542)</u>	<u>(476)</u>	<u>41,656</u>	<u>41,180</u>

West Benhar Windfarm Partnership LLP
 Members' report and financial statements
 31 December 2022
 Registered number OC361411

Notes to the Financial Statements (continued)

10 Reconciliation of Members' interests (continued)

Movement of Members' interests during the prior period:

	Members' capital (classified as equity)	Cash flow hedge reserve (classified as equity)	Other reserves (classified as equity)	Total equity	Debt loans	Total Members' interest
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Balance as at 1 January 2021	-	-	-	-	-	-
Loan draw down	-	-	-	-	21,640	21,640
Loan interest	-	-	-	-	148	148
Loss for the year available for discretionary division among members	-	-	(940)	(940)	-	(940)
Cash flow hedge reserve movement	-	(1,022)	-	(1,022)	-	(1,022)
As at 31 December 2021	-	(1,022)	(940)	(1,962)	21,788	19,826

11 Related party transactions

The following related party transactions occurred in the year:

Related Party	Relationship	Transaction	Transaction Amount 2022 £000	Amount outstanding 2022 £000	Transaction Amount 2021 £000	Amount outstanding 2021 £000
EDF Energy Renewables Limited	Group company	Management fees	205	-	-	-
EDF Energy Renewables Limited	Group company	Current account	2,077	15 Debtor	-	2,062 Creditor
EDF Energy Renewables Limited	Group company	Loan and interest	19,867	41,656 Creditor	21,788	21,788 Creditor

West Benhar Windfarm Partnership LLP
Members' report and financial statements
31 December 2022
Registered number OC361411

Notes to the Financial Statements (continued)

12 Parent and ultimate parent undertaking

West Benhar Windfarm Limited holds a 99% interest in the Partnership and is considered to be the immediate parent undertaking and controlling party. The registered address of West Benhar Windfarm Limited is Alexander House, 1 Mandarin Road, Rainton Bridge Business Park, Houghton le Spring, Sunderland, England, DH4 5RA.

At 31 December 2022, Electricité de France SA, a company incorporated in France, is regarded by the Members as the Company's ultimate parent company and controlling party. This is the largest group for which consolidated financial statements are prepared. Copies of that Company's consolidated financial statements may be obtained from its registered office, Electricité de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.

The smallest parent undertaking for which consolidated accounts are prepared is EDF Renouvelables S.A. Copies of the company's consolidated financial statements may be obtained from its registered office, EDF Renouvelables S.A., Coeur Défense - 100, Esplanade du Général de Gaulle 92932 Paris La Défense Cedex.

13 Accounting estimates and judgement

The preparation of financial statements requires the use of accounting estimates and judgments, and requires management to exercise judgment in applying accounting policies. We continually evaluate our judgments and assumptions.

Costs which are directly attributable to the development of the windfarm, which have a reasonable expectation of obtaining the consents required to construct the project, are treated as work in progress and are not written off to the profit and loss account. Management continually review the projects held on the balance sheet as work in progress based on the current environment for regulatory approvals and support mechanisms.