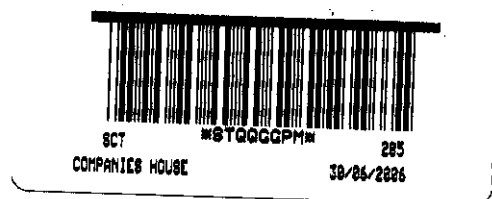


Cathkin Energy Limited

Directors' report and financial statements
for the year ended 31 December 2005

Registered Number: SC264324



Cathkin Energy Limited

Directors' report and financial statements for the year ended 31 December 2005

Contents

| | |
|--|---|
| Directors and advisors for the year ended 31 December 2005..... | 1 |
| Directors' report for the year ended 31 December 2005..... | 2 |
| Independent auditors' report to the members of Cathkin Energy Limited..... | 4 |
| Profit and loss account for the year ended 31 December 2005..... | 5 |
| Balance sheet as at 31 December 2005..... | 6 |
| Statement of accounting policies..... | 7 |
| Notes to the financial statements for the year ended 31 December 2005..... | 8 |

Cathkin Energy Limited

Directors and advisors for the year ended 31 December 2005

Directors

H H P Wyndham
D R Wilson
R D Holmes
R E Swanson
A T West

Secretary

A H Pentecost

Auditors

Cooper Parry LLP
14 Park Row
Nottingham
NG1 6GR

Solicitors

Eversheds
115 Colmore Row
Birmingham
West Midlands
B3 3AL

Registered Office

Princess Exchange
Earl Grey Street
Edinburgh
EH3 9BN

Registered Number

SC264324

Cathkin Energy Limited

Directors' report for the year ended 31 December 2005

The directors present their report and the audited financial statements for the company for the year ended 31 December 2005.

Principal activities

The company did not trade during the year under review.

Business review and future developments

The directors do not recommend the payment of a dividend (2004: £nil).

Directors and their interests

The directors who held office during the year are given below:

H H P Wyndham
D R Wilson
R D Holmes
R E Swanson
A T West

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

The interests of the directors who held office at the end of the financial year in shares of other group companies are disclosed in the directors' report of the holding company, CLPE Holdings Limited.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 year. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended December 2005 and that applicable accounting standards have been followed.

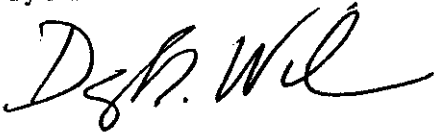
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Cathkin Energy Limited

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing the re-appointment of Cooper Parry LLP as auditors of the company will be put to the annual general meeting.

By order of the board

A handwritten signature in black ink, appearing to read 'D R Wilson', written in a cursive style.

D R Wilson

Director

Date

15 JUN 2006

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

Cathkin Energy Limited

We have audited the financial statements of Cathkin Energy Limited on pages 5 to 9 for the year ended 31 December 2005. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

Respective responsibilities of directors and auditors

As described in the statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

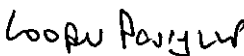
Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


COOPER PARRY LLP

NOTTINGHAM

Chartered Accountants

20 June 2006

Registered Auditor

Cathkin Energy Limited

Profit and loss account for the year ended 31 December 2005

| | Notes | Year ended 31 December 2005 £ | 3 March 2004 to 31 December 2004 £ |
|---|-------|--|--|
| Profit on ordinary activities before taxation | 1 | - | - |
| Taxation | 4 | - | - |
| Retained profit for the year/period | | - | - |

The company did not trade during the year under review.

The company had no recognised gains or losses in the current year other than those passing through the profit and loss account.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

Cathkin Energy Limited

Balance sheet as at 31 December 2005

| | Notes | 2005 £ | 2004 £ |
|-----------------------------|-------|-----------|-----------|
| Current assets | | | |
| Debtors | 5 | 1 | 1 |
| Net assets | | 1 | 1 |
| Capital and reserves | | | |
| Called up share capital | 6 | 1 | 1 |
| Retained profit | | - | - |
| Shareholders' funds | 7 | 1 | 1 |

The financial statements on pages 5 to 9 were approved by the board of directors on
and were signed on its behalf by:

15 JUN 2006



D R Wilson
Director

Cathkin Energy Limited

Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Taxation

Corporation tax is provided on taxable profits at the current rate applicable. Tax charges and credits are accounted for through the same primary statement (either the profit and loss account or statement of total recognised gains and losses) as the pre-tax item.

In accordance with Financial Reporting Standard 19, full provision is made for deferred taxation on a non discounted basis in respect of all timing differences. Deferred tax is calculated at rates at which it is estimated that the tax will arise.

Deferred tax assets are recognised to the extent they are more likely than not to be recovered.

Cash flow statement

Under Financial Reporting Standard 1 (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that more than 90% of the voting rights are controlled within the group and a consolidated cash flow statement is included in CLPE Holdings Limited's financial statements, which are publicly available.

Related party transactions

Under Financial Reporting Standard 8, the company is exempt from the requirement to disclose related party transactions with group entities on the grounds that more than 90% of the voting rights are controlled within the group and the consolidated financial statements of CLPE Holdings Limited are publicly available.

Cathkin Energy Limited

Notes to the financial statements for the year ended 31 December 2005

1 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

| | Year ended 31 December 2005 £ | 3 March 2004 to 31 December 2004 £ |
|------------------------|--|--|
| Auditors' remuneration | - | - |

2 Remuneration of directors

None of the directors received any emoluments in respect of their services to the company (2004: £nil).

3 Staff numbers and costs

No staff were employed by the company during the year (2004: nil).

4 Taxation

There is no charge to corporation tax in the current year (2004: £nil).

Factors that may affect future tax charges

The company will be subject to the standard rate of corporation tax in the UK (30%) on commencement of trade.

5 Debtors

| | 2005 £ | 2004 £ |
|-------------------------------------|-----------|-----------|
| Amounts due from parent undertaking | 1 | 1 |

6 Called up share capital

| | 2005 £ | 2004 £ |
|--|-----------|-----------|
| Authorised 1,000 ordinary shares of £1 each | 1,000 | 1,000 |
| Allotted and called up <i>Fully Paid</i> 1 ordinary share of £1 each | 1 | 1 |

Cathkin Energy Limited

Notes to the financial statements for the year ended 31 December 2005

7 Reconciliation of movement in shareholders' funds

| | 2005 | 2004 |
|--|------|------|
| | £ | £ |
| Opening shareholders' funds | 1 | - |
| Share capital issued during the period | - | 1 |
| Closing shareholders' funds | 1 | 1 |

8 Ultimate parent and controlling company

The company's ultimate parent company is "Ridgewood Electric Power Trust V" an entity which is registered in the United States. Christiana Bank and Trust Company, a company registered and incorporated in the United States is the Corporate Trustee of the Trust. Ridgewood Renewable Power LLC, a company registered and incorporated in the United States, is the managing shareholder of the Trust. The directors consider that Ridgewood Renewable Power LLC is the ultimate controlling party of the company at 31 December 2005.

The company's immediate parent undertaking is CLPE Projects 3 Limited, a company incorporated and registered in England and Wales.

The smallest group in which the results of the company are consolidated is that headed by CLPE Holdings Limited. The largest group in which the results of the company are consolidated is Ridgewood Electric Power Trust V.

The consolidated financial statements of CLPE Holdings Limited are available from Units 14 & 15 Queensbrook, Bolton Technology Exchange, Spa Road, Bolton, BL1 4AY.