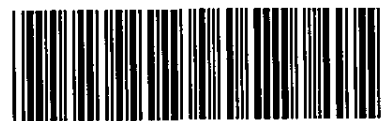


Company Registration No. SC297221 (England and Wales)

AUQUHIRIE LAND COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011

THURSDAY



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COMPANIES HOUSE

AUQUHIRIE LAND COMPANY LIMITED

COMPANY INFORMATION

| | | |
|--------------------------|---|----------------------------|
| Directors | S J Foy | (Appointed 6 October 2011) |
| | M E Healey | (Appointed 4 October 2011) |
| Secretary | S J Foy | |
| Company number | SC297221 | |
| Registered office | 6th Floor Blackfriars House Parsonage Manchester M3 2JA | |
| Auditors | White & Company (UK) Limited 6th Floor Blackfriars House Parsonage Manchester M3 2JA | |

AUQUHIRIE LAND COMPANY LIMITED

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AUQUHIRIE LAND COMPANY LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2011

The directors present their report and financial statements for the period ended 31 December 2011.

Principal activities

The principal activity of the company continued to be that of the development of wind turbines on land held by the company.

On 6 October 2011 the entire share capital of the company was acquired by Blue Energy Wind Holdings Limited and it became a member of the Blue Energy group of companies.

Directors

The following directors have held office since 1 April 2011:

| | |
|------------|---|
| S J Foy | (Appointed 6 October 2011) |
| C J Dean | (Appointed 6 October 2011 and resigned 1 February 2012) |
| M E Healey | (Appointed 4 October 2011) |
| S Waller | (Resigned 6 October 2011) |
| L Garvie | (Resigned 6 October 2011) |

Auditors

White & Company (UK) Limited were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

The financial statements for the year ended 31 March 2011 were prepared by another firm of accountants and were unaudited.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 and then apply them consistently;
- make judgements 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 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.

AUQUHIRIE LAND COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

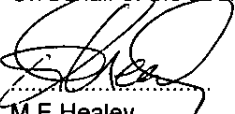
FOR THE PERIOD ENDED 31 DECEMBER 2011

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



M E Healey

Director

26/09/12.....

AUQUHIRIE LAND COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AUQUHIRIE LAND COMPANY LIMITED

We have audited the financial statements of Auquhirie Land Company Limited for the period ended 31 December 2011 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities). The financial statements for the year ended 31 March 2011 were prepared by another firm of accountants and were unaudited.

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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on 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 2011 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Other matters

The comparative financial statements were prepared by a different accountant and were not audited.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

AUQUHIRIE LAND COMPANY LIMITED

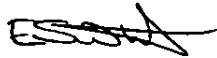
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF AUQUHIRIE LAND COMPANY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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' exemption in preparing the directors' report.



Emma White (Senior Statutory Auditor)
for and on behalf of White & Company (UK) Limited

25/09/12.....

Chartered Accountants
Statutory Auditor

6th Floor
Blackfriars House
Parsonage
Manchester
M3 2JA

AUQUHIRIE LAND COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2011

| | | Period ended 31 December 2011 £ | Year ended 31 March 2011 £ |
|---|-------|---|--|
| | Notes | | |
| Turnover | | - | 10,505 |
| Administrative expenses | | 18,799 | 42,131 |
| Operating profit | 2 | 18,799 | 52,636 |
| Other interest receivable and similar income | 3 | - | 1,009 |
| Interest payable and similar charges | | (3) | (13,927) |
| Profit on ordinary activities before taxation | | 18,796 | 39,718 |
| Tax on profit on ordinary activities | 4 | (1,056) | (1,471) |
| Profit for the period | 9 | 17,740 | 38,247 |

AUQUHIRIE LAND COMPANY LIMITED

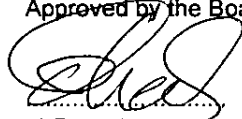
BALANCE SHEET

AS AT 31 DECEMBER 2011

| | Notes | 2011 £ | £ | 2011 £ | £ |
|---|-------|-------------|-------------|-----------|-----------|
| Fixed assets | | | | | |
| Tangible assets | 5 | | 2,048,174 | | 479,579 |
| Current assets | | | | | |
| Debtors | 6 | 135,616 | | 194,443 | |
| Cash at bank and in hand | | 173,854 | | - | |
| | | 309,470 | | 194,443 | |
| Creditors: amounts falling due within one year | 7 | (2,426,324) | | (760,442) | |
| Net current liabilities | | | (2,116,854) | | (565,999) |
| Total assets less current liabilities | | | (68,680) | | (86,420) |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 1,000 | | 1,000 |
| Profit and loss account | 9 | | (69,680) | | (87,420) |
| Shareholders' funds | | | (68,680) | | (86,420) |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 26/09/12...



M E Healey
Director

Company Registration No. SC297221

AUQUHIRIE LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

At 31 December 2011 the company reports a deficiency in shareholders funds. This is due to the preliminary expenses incurred upon the company starting a large scale project relating to the construction of three wind turbines upon the land held by it. After the balance sheet date construction on the site has begun which it is hoped will be completed by February 2013. During 2012 the company has also agreed a purchaser for the energy that will be generated once the turbines are complete. The directors are confident that this will be sufficient to return the company to profitability in the foreseeable future and based upon this the financial statements of the company have been prepared on a going concern basis.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------------|--|
| Land and buildings Freehold | No depreciation |
| Assets in the course of construction | Will begin to be depreciated upon completion |

1.5 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Operating profit

| | 2011 £ | 2011 £ |
|--|-----------|-----------|
| Operating profit is stated after charging: | | |
| Auditors' remuneration | 5,000 | - |

3 Investment income

| | 2011 £ | 2011 £ |
|---------------|-----------|-----------|
| Bank interest | - | 1,009 |
| | - | 1,009 |

AUQUHIRIE LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2011

| | | | |
|----------|---|----------------------|------------------|
| 4 | Taxation | 2011 | 2011 |
| | | £ | £ |
| | Domestic current year tax | | |
| | U.K. corporation tax | - | 1,471 |
| | Adjustment for prior years | 1,056 | - |
| | | <u>1,056</u> | <u>-</u> |
| | Current tax charge | <u>1,056</u> | <u>1,471</u> |
| 5 | Tangible fixed assets | | |
| | | Assets in the | Land and |
| | | course of | buildings |
| | | construction | Total |
| | | £ | £ |
| | Cost | | |
| | At 1 April 2011 | - | 479,579 |
| | Additions | 1,568,595 | - |
| | | <u>1,568,595</u> | <u>479,579</u> |
| | At 31 December 2011 | <u>1,568,595</u> | <u>479,579</u> |
| | Depreciation | | |
| | At 1 April 2011 & at 31 December 2011 | - | - |
| | | <u>-</u> | <u>-</u> |
| | Net book value | | |
| | At 31 December 2011 | <u>1,568,595</u> | <u>479,579</u> |
| | At 31 March 2011 | <u>-</u> | <u>479,579</u> |
| 6 | Debtors | 2011 | 2011 |
| | | £ | £ |
| | Trade debtors | - | 150,714 |
| | Amounts owed by group undertakings and undertakings in which the company has a participating interest | - | 30,141 |
| | Other debtors | 135,616 | 13,588 |
| | | <u>135,616</u> | <u>194,443</u> |

AUQUHIRIE LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2011

| 7 | Creditors: amounts falling due within one year | 2011 £ | 2011 £ |
|---|--|------------------|----------------|
| | Bank loans and overdrafts | - | 445,129 |
| | Trade creditors | 702,548 | 33,998 |
| | Taxation and social security | 1,474 | 415 |
| | Other creditors | 1,722,302 | 280,900 |
| | | <u>2,426,324</u> | <u>760,442</u> |

| 8 | Share capital | 2011 £ | 2011 £ |
|---|---|--------------|--------------|
| | Allotted, called up and fully paid | | |
| | 1,000 ordinary of £1 each | <u>1,000</u> | <u>1,000</u> |

On 6 October 2011 the entire share capital of the company was purchased by Blue Energy Wind Holdings Limited and the company became a member of the Blue Energy group of companies.

| 9 | Statement of movements on profit and loss account | Profit and loss account £ |
|---|---|------------------------------------|
| | Balance at 1 April 2011 | (87,420) |
| | Profit for the period | <u>17,740</u> |
| | Balance at 31 December 2011 | <u>(69,680)</u> |

10 Control

At 31 March 2011 there was no ultimate controlling party of the company as no shareholder held more than 50% of the allotted share capital.

On 6 October 2011 the entire share capital of the company was purchased by Blue Energy Wind Holdings Limited, a company incorporated in England and Wales.

The parent company of Blue Energy Wind Holdings Limited is Blue Energy Partnership Holdings Limited, a company incorporated in England and Wales.

The ultimate controlling party of the company is Mr M Healey due to his ownership of the entire share capital of Blue Energy Partnerships Holdings Limited.

AUQUHIRIE LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2011

11 Related party relationships and transactions

Upon the acquisition of the company by Blue Energy Wind Holdings Limited, the company was loaned £558,238 by its parent company to repay the net debt contained on its balance sheet at that date. The total amount remains unpaid and is shown in other creditors at the balance sheet date.

During the period the company also received financing from another member of the Blue Energy group of companies, Blue Energy Partnerships Limited. The creditor due to them at 31 December 2011 is £284,824 which is also contained in other creditors at the balance sheet date.

AUQUHIRIE LAND COMPANY LIMITED
MANAGEMENT INFORMATION
FOR THE PERIOD ENDED 31 DECEMBER 2011

AUQUHIRIE LAND COMPANY LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2011

| | Period ended 31 December 2011 | Year ended 31 March 2011 |
|---|--|-----------------------------------|
| | £ | £ |
| Turnover | | |
| Sales | - | 10,505 |
| Administrative expenses | 18,799 | 42,131 |
| Operating profit | <u>18,799</u> | <u>52,636</u> |
| Other interest receivable and similar income | | |
| Bank interest receivable accrued | - | 1,009 |
| Interest payable | | |
| Bank interest payable | - | 13,927 |
| Interest on overdue taxation payable | <u>3</u> | <u>-</u> |
| | (3) | (13,927) |
| Profit before taxation | <u><u>18,796</u></u> | <u><u>39,718</u></u> |

AUQUHIRIE LAND COMPANY LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE PERIOD ENDED 31 DECEMBER 2011

| | Period ended 31 December 2011 £ | Year ended 31 March 2011 £ |
|---------------------------------------|---|--|
| Administrative expenses | | |
| Legal and professional fees | (5,733) | (38,476) |
| Accountancy | 15 | 915 |
| Audit fees | 5,000 | - |
| Bank charges | 10,628 | 34 |
| Profit/loss on foreign currency | (28,709) | - |
| Sundry expenses | - | 1,391 |
| Profits/losses on disp of intangibles | - | (5,995) |
| | <u>(18,799)</u> | <u>(42,131)</u> |
