

Registration number: SC432839

Edintore Wind Farm Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2018

Rödl & Partner Limited
170 Edmund Street
Birmingham
B3 2HB



Edintore Wind Farm Limited

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Edintore Wind Farm Limited

Company Information

Directors	T Weyer F Lendowski N F L Christoph
Registered office	12 South Charlotte Street Edinburgh EH2 4AX
Auditors	Rödl & Partner Limited 170 Edmund Street Birmingham B3 2HB

Edintore Wind Farm Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 and FRS 102 Section 1A, The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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.

Edintore Wind Farm Limited
(Registration number: SC432839)
Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	17,542,237	18,511,155
Current assets			
Debtors	5	3,720,178	3,328,399
Cash at bank and in hand		<u>3,600,813</u>	<u>2,632,181</u>
		7,320,991	5,960,580
Creditors: Amounts falling due within one year	6	<u>(3,597,872)</u>	<u>(3,611,187)</u>
Net current assets		<u>3,723,119</u>	<u>2,349,393</u>
Total assets less current liabilities		21,265,356	20,860,548
Creditors: Amounts falling due after more than one year	6	(14,840,453)	(16,192,594)
Provisions for liabilities	7	<u>(995,085)</u>	<u>(670,643)</u>
Net assets		<u><u>5,429,818</u></u>	<u><u>3,997,311</u></u>
Capital and reserves			
Called up share capital		2,534,710	2,534,710
Profit and loss account		<u>2,895,108</u>	<u>1,462,601</u>
Total equity		<u><u>5,429,818</u></u>	<u><u>3,997,311</u></u>

Edintore Wind Farm Limited

(Registration number: SC432839)

Balance Sheet as at 31 December 2018

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with provisions of FRS 102 Section 1A - small entities.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on ^{27.5.19} and signed on its behalf by:

.....
T Weyer
Director

.....
N F L Christoph
Director

Edintore Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

12 South Charlotte Street

Edinburgh

EH2 4AX

Principal Activity

The principal activity of the company is that of operating a wind farm and producing renewable electricity.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The presentation currency of these financial statements is Sterling. All amounts have been rounded to the nearest £1.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements as permitted by the FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- Related Party Disclosures with other members of that group.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Edintore Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Foreign currency transactions and balances

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 transaction. All differences are taken to profit and loss account.

Tax

The tax expense for the period comprises deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixed plant and equipment	5% Straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Edintore Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Income over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Derivative financial instruments and hedging

The company uses forward foreign currency contracts to reduce exposure to foreign exchange rates. These derivative contracts are initially measured at fair value on the date on which a contract is entered into and are subsequently measured at fair value through the Statement of Income and Retained Earnings at the Statement of Financial Position date are determined using quoted prices. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Edintore Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

3 Staff numbers

The company had no employees during the year (2017: 0).

4 Tangible assets

	Fixed plant and equipment £	Total £
Cost or valuation		
At 1 January 2018	19,512,291	19,512,291
Additions	6,933	6,933
At 31 December 2018	<u>19,519,224</u>	<u>19,519,224</u>
Depreciation		
At 1 January 2018	1,001,136	1,001,136
Charge for the year	975,851	975,851
At 31 December 2018	<u>1,976,987</u>	<u>1,976,987</u>
Carrying amount		
At 31 December 2018	<u>17,542,237</u>	<u>17,542,237</u>
At 31 December 2017	<u>18,511,155</u>	<u>18,511,155</u>

5 Debtors

	2018 £	2017 £
Amount falling due within one year:		
Sundry debtors	947,450	954,051
Prepayments	106,948	39,670
Amounts falling due after more than one year:		
Currency swap	<u>2,665,780</u>	<u>2,334,678</u>
	<u>3,720,178</u>	<u>3,328,399</u>

Edintore Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

6 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Bank loans and overdrafts	8	2,039,621	1,247,454
Trade creditors		60,204	62,518
Amounts owed to group undertakings		1,132,588	2,029,381
Accruals		122,333	102,106
Taxation and social security		243,126	169,728
		<u>3,597,872</u>	<u>3,611,187</u>

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year:			
Bank loans and overdrafts	8	14,674,674	15,951,356
Interest rate swap		165,779	241,238
		<u>14,840,453</u>	<u>16,192,594</u>

		2018 £	2017 £
Due after more than five years:			
Repayable by instalments			
Nord LB term loan > 5 years		1,488,525	2,298,324
KfW term loans > 5 years		7,498,285	8,413,492
		<u>8,986,810</u>	<u>10,711,816</u>

7 Provisions for liabilities

		2018 £	2017 £
Deferred tax		819,196	499,628
Other provision		175,889	171,015
		<u>995,085</u>	<u>670,643</u>

Edintore Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

8 Loans and borrowings

	2018 £	2017 £
Current loans and borrowings		
KfW term loan < 1 year	1,249,716	1,201,929
Nord LB term loan < 1 year	789,905	45,525
	<u>2,039,621</u>	<u>1,247,454</u>
	2018 £	2017 £
Due between one and five years		
KfW term loans 1-5 years	4,998,864	4,807,715
Nord LB term loan 1-5 years	689,000	431,825
	<u>5,687,864</u>	<u>5,239,540</u>
	2018 £	2017 £
Due after more than five years		
Nord LB term loan > 5 years	1,488,525	2,298,324
KfW term loans > 5 years	7,498,285	8,413,492
	<u>8,986,810</u>	<u>10,711,816</u>

9 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	<u>2,534,710</u>	<u>2,534,710</u>	<u>2,534,710</u>	<u>2,534,710</u>

Edintore Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

10 Secured Debts

	2018	2017
	£	£
Bank loans	<u>(16,714,295)</u>	<u>(17,198,810)</u>

Nord LB act as security trustee for Kreditandfalt fur Wiederaufbau (KfW).

Norddeutsche Landesbank Girozentrale (Nord LB) holds a standard security over the tenants interest in the lease of the land at Edintore Wind Farm Limited, Keith, Morayshire, and over the benefit of any insurance claim.

Nord LB also hold a bond and floating charge over the company assets which includes all rights, title, interest and benefit under the contracts and agreements in place for the supply, construction, maintenance and insurance of the turbines and supply of electricity therefrom, a standard security over bank balances held with Nord LB and a cash collateral account security over bank balances held with RBS.

There is also £70,500 decommissioning bond in place between the company and Nord LB.

11 Parent and ultimate parent undertaking

The company's immediate parent is Koehler Renewable Energy GmbH, incorporated in Germany. The ultimate parent undertaking in which the results of the company are consolidated is Koehler Holding GmbH & Co. KG, Hauptstrasse 2, Oberkirch, 77704, Germany. A copy of these accounts are available upon request on handelsregister.de.

12 Auditors information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444 (5B) of the Companies Act 2006.

The auditors report was unqualified.

The Senior Statutory Auditor was Imran Farooq.

The auditor was Rödl & Partner Limited.