

Financial statements Alvanley Farms Limited

For the year ended 30 November 2017



Company No. 02769840

Officers and professional advisers

Company registration number	02769840
Registered office	Godscroft House Godscroft Lane Frodsham Cheshire WA6 6XU
Directors	D A Wood R M H Wood
Secretary	R M H Wood
Banker	Bank of Scotland plc PO Box 17235 Edinburgh EH11 1YH
Solicitor	Lindsays Caledonian Exchange 19A Canning Street Edinburgh EH3 8HE
Auditor	KPMG LLP 8 Princes Parade Liverpool L3 1QH

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Directors' report

The directors present their report and the financial statements of the Company for the year ended 30 November 2017.

Principal activity

The principal activity of the Company during the year was that of managing farming land and buildings.

The Company has met the requirements in The Companies Act 2006 to obtain the exemption provided, based on its size, from the presentation of a strategic report.

Results for the year

During the year the Company made a profit of £20,438 (2016: £24,472).

During the year the Company paid dividends of £nil (2016: £nil).

Directors

The directors who served the Company during the year were as follows:

D A Wood
R M H Wood

Going concern

The directors consider the Company's performance on a regular basis, in particular, cash-flows, business risks and customer exposure. The reviews performed during the year have confirmed that the business is well placed to manage future business risks despite the current economic outlook.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Provision of information to auditor

Each of the persons who are directors at the time when the Directors' report is approved has confirmed that:

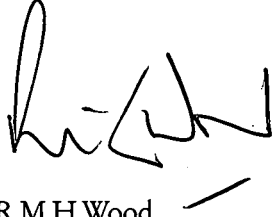
- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that the directors have taken all steps that they ought to have taken as directors in order to be aware of any information needed by the Company and the auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

Directors' report (continued)

Auditor reappointment

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the board

A handwritten signature in black ink, appearing to be 'R M H Wood', written over a horizontal line.

R M H Wood
Director

Date: 09 August 2018

Statement of Directors' Responsibilities In Respect Of The Directors' Report And The Financial Statements

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 they have elected to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102 *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 and then apply them consistently;
- make judgements and 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;
- assess the Company'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.

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 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 Company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of Alvanley Farms Limited

Opinion

We have audited the financial statements of Alvanley Farms Limited ("the Company") for the year ended 30 November 2017 which comprise the profit loss account and other comprehensive income, balance sheet and 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 the Company's affairs as at 30 November 2017 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.

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 Company 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

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report 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 directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 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
- 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

Independent Auditor's Report to the Members of Alvanley Farms Limited (*continued*)

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors 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 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 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 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Will Baker (Senior Statutory Auditor)

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

8 Princes Parade

Liverpool

L3 1QH

Date:

10 August 2018

Profit and loss account and other comprehensive income

For the year ended 30 November 2017

	Notes	2017 £	2016 £
Turnover		124,200	120,983
Cost of sales		(2,202)	(1,823)
Gross profit		121,998	119,160
Other operating charges	2	(96,200)	(87,973)
Operating profit	3	25,798	31,187
Interest payable and similar charges		(25)	(16)
Profit on ordinary activities before taxation		25,773	31,171
Tax on profit on ordinary activities	5	(5,335)	(6,699)
Profit for the financial year		20,438	24,472

All of the activities of the Company are classed as continuing.

There were no recognised gains or losses for the current or preceding period, other than the profit as presented above and, therefore, no separate statement of other comprehensive income has been presented.

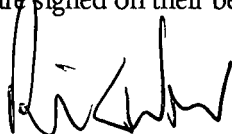
The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

At 30 November 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	6	<u>976,517</u>	<u>975,469</u>
Current assets			
Debtors	7	12,459	183
Cash at bank		<u>107,147</u>	<u>84,213</u>
		119,606	84,396
Creditors: amounts falling due within one year	8	<u>(45,814)</u>	<u>(30,496)</u>
Net current assets		<u>73,792</u>	<u>53,900</u>
Total assets less current liabilities		1,050,309	1,029,369
Creditors: amounts falling due after more than one year	9	<u>(40,000)</u>	<u>(40,000)</u>
Provisions for liabilities			
Deferred tax liability		<u>(502)</u>	<u>-</u>
Net assets		<u>1,009,807</u>	<u>989,369</u>
Capital and reserves			
Called-up equity share capital	10	2,000	2,000
Revaluation reserve		743,750	743,750
Profit and loss account		<u>264,057</u>	<u>243,619</u>
Shareholders' funds		<u>1,009,807</u>	<u>989,369</u>

These financial statements were approved by the directors and authorised for issue on 09 August 2018, and are signed on their behalf by:



R M H Wood ✓
 Director

Company Registration Number: 02769840

The accompanying accounting policies and notes form part of these financial statements.

Statement of changes in equity

	Called up share capital	Revaluation reserve	Profit & loss account	Total s/holders' fund
	£	£	£	£
Balance at 1 December 2015	2,000	743,750	219,147	964,897
Total comprehensive income for the year				
Profit	-	-	24,472	24,472
Total comprehensive income for the year	-	-	24,472	24,472
Balance at 30 November 2016	2,000	743,750	243,619	989,369
Balance at 1 December 2016	2,000	743,750	243,619	989,369
Total comprehensive income for the year				
Profit	-	-	20,438	20,438
Total comprehensive income for the year	-	-	20,438	20,438
Balance at 30 November 2017	2,000	743,750	264,057	1,009,807

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Principal accounting policies

Basis of accounting

Alvanley Farms Limited ("the "Company") is a private company limited by shares and incorporated and domiciled in the UK.

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"). The presentation currency of these financial statements is sterling.

The Company's ultimate parent undertaking, Community Wind Power (Holdings) Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Community Wind Power (Holdings) Limited are prepared under FRS 102 and are available to the public and may be obtained from The Registrar, Companies House, Crown Way, Cardiff, CF4 3UZ. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement with related notes is included; and
- Key management personnel compensation.

As the consolidated financial statements of Community Wind Power (Holdings) Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The directors do not believe there are any judgements in the application of these accounting policies that have a significant effect on the financial statements.

Going concern

The directors consider the Company's performance on a regular basis, in particular, cash-flows, business risks and customer exposure. The reviews performed during the year have confirmed that the business is well placed to manage future business risks despite the current economic outlook.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax. Turnover in respect of rental income is recognised at the point at which the service has been provided.

Notes to the financial statements (continued)

1 Principal accounting policies (continued)

Fixed assets

Tangible fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Certain items of tangible fixed assets that had been revalued to fair value on or prior to the date of transition to FRS 102, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Revaluation

Land and Buildings are stated at fair value less any subsequent accumulated depreciation and impairment losses.

Gains on revaluation are recognised in other comprehensive income and accumulated in revaluation reserve. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease previously recognised in profit or loss.

Losses arising on revaluation are recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. Any excess is recognised in profit or loss.

Operating lease agreements

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

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

Notes to the financial statements (continued)

1 Principal accounting policies (continued)

Classifications of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Expenses

Interest receivable and interest payable

Interest payable and similar charges include interest payable.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Notes to the financial statements (continued)

2 Other operating charges

	2017 £	2016 £
Administrative expenses	<u>96,200</u>	<u>87,988</u>

3 Operating profit

Operating profit is stated after charging:

	2017 £	2016 £
Depreciation of owned fixed assets	2,202	1,823
Auditor's fees		
- Audit	3,308	3,250
- Tax	<u>1,545</u>	<u>1,500</u>

4 Directors and employees

During the year the Company had nil (2016: nil) employees.

Remuneration in respect of directors was as follows:

	2017 £	2016 £
Remuneration	<u>247,945</u>	<u>203,450</u>

The remuneration of the Directors disclosed above relates to their services to this and other companies in the Community Wind Power (Holdings) Limited Group. Remuneration of the directors was paid by Community Windpower Limited during the period.

No director accrued benefits towards pension entitlements during the year (2016: no directors).

Notes to the financial statements (continued)

5 Tax on profit on ordinary activities

Total tax expense recognised in the profit and loss account and other comprehensive income.

	2017		2016	
	£	£	£	£
<i>Current tax</i>				
Current tax on income for the year	-	-	-	-
Group relief payable	5,087		6,599	
Adjustment in respect of prior period	(254)		100	
Total current tax charge		4,833		6,699
<i>Deferred tax</i>				
Origination and reversal of timing differences	279		-	
Adjustments in respect of prior periods	223		-	
Total deferred tax		502		-
Total tax charge		5,335		6,699

	2017			2016		
	£	£	£	£	£	£
	Current tax	Deferred tax	Total tax	Current tax	Deferred tax	Total tax
Recognised in profit and loss account	4,833	502	5,335	6,699	-	6,699
Recognised in other comprehensive income	-	-	-	-	-	-
Total tax	4,833	502	5,335	6,699	-	6,699

Notes to the financial statements (continued)

5 Tax on profit on ordinary activities (continued)

Reconciliation of effective tax rate

	2017 £	2016 £
Profit for the year	20,438	24,472
Total tax expense	5,335	6,699
Profit excluding taxation	25,773	31,171
Tax using the UK corporation tax rate of 19.33% (2016: 20.00%)	4,982	6,234
Group relief claimed	(5,087)	(6,599)
Payment for group relief	5,087	6,599
Fixed asset differences	422	365
Adjustments in respect of previous periods	(254)	100
Adjustments to tax charge in respect of previous periods-deferred tax	223	-
Adjust closing deferred tax to average rate of 19.33%	(69)	-
Adjust opening deferred tax to average rate of 19.33%	31	-
Total tax expense included in profit	5,335	6,699

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was substantially enacted on 6 September 2016.

6 Tangible fixed assets

	Land and Buildings £	Plant and Machinery £	Total Assets £
Cost or valuation			
At 1 December 2016	970,000	7,292	970,000
Additions	-	3,250	3,250
At 30 November 2017	970,000	10,542	980,542
Depreciation			
At 1 December 2016	-	1,823	1,823
Charge for the year	-	2,202	2,202
At 30 November 2017	-	4,025	4,025
Net book value			
At 30 November 2017	970,000	6,517	976,517
At 30 November 2016	970,000	5,469	975,469

Notes to the financial statements (continued)

6 Tangible fixed assets (continued)

The last full valuation of freehold land and building was performed by the directors of Alvanley Farms Limited on 30 of November 2017. The open market value at the date was calculated to be £970,000 which has been made in accordance with the Appraisal and Valuation methods commonly used such as NPV of the future economic benefits.

The existing use value of freehold land and buildings does not include notional directly attributable acquisition costs. The open market value of land and buildings is determined before the deduction of expected selling costs.

7 Debtors

	2017 £	2016 £
Amounts due from group undertakings	6,667	-
Prepayments	1,174	-
Corporation Tax	-	(9)
Recoverable VAT	4,618	192
	<u>12,459</u>	<u>183</u>

8 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	2,935	722
Amounts due to group undertakings	27,057	15,058
Other creditors and accruals	15,822	14,716
	<u>45,814</u>	<u>30,496</u>

9 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Preference shares	40,000	40,000
	<u>40,000</u>	<u>40,000</u>

10 Share capital

Allotted, called up and fully paid:

	30 November 2017		30 November 2016	
	No	£	No	£
Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>

Notes to the financial statements (continued)

11 Capital commitments

The Company had no capital commitments at 30 November 2017 or 30 November 2016.

12 Contingent liabilities

The Company had no contingent liabilities at 30 November 2017 or 30 November 2016.

13 Controlling party and related party transactions

The ultimate and immediate parent undertaking of this company is Community Wind Power (Holdings) Limited, a company incorporated in Scotland. R M H Wood and D A Wood are the controlling parties of the ultimate parent company.

As the Company is a wholly owned subsidiary of Community Wind Power (Holdings) Limited, the Company has taken advantage of the exemption contained in FRS 102.33.1A and therefore has not disclosed transactions or balances with wholly owned subsidiaries which form part of the group headed by Community Wind Power (Holdings) Limited.