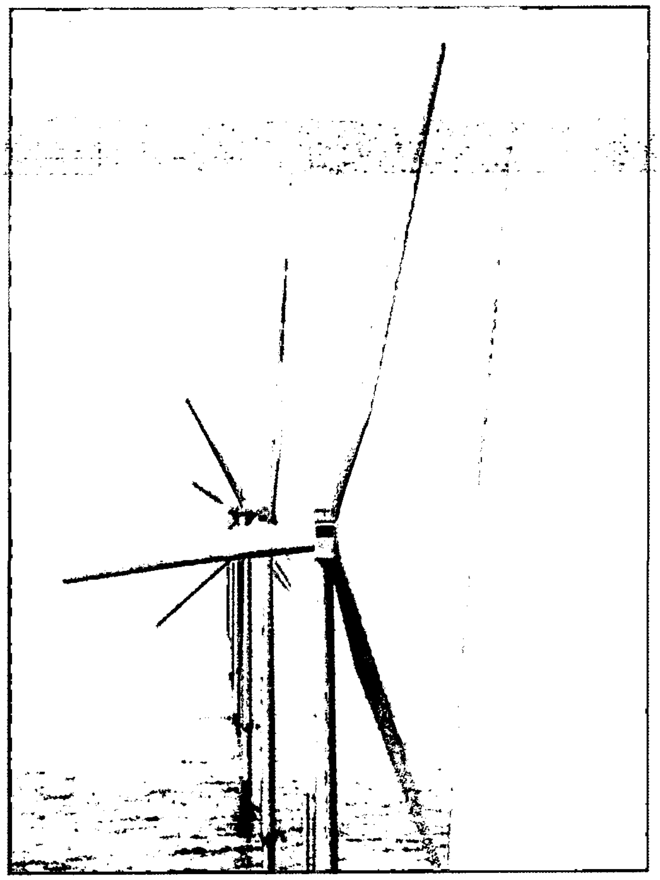
Registration number: 06707821



GLID Wind Farms Topco Ltd

Annual Report and Financial Statements
for the year ended 31 December 2021

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**Strategic Report for the Year Ended 31 December 2021**

The Directors present their Strategic Report of GLID Wind Farms TopCo Limited (the company) and for the Group (comprising GLID Wind Farms Topco Limited plus fully owned subsidiaries Lynn Wind Farm Limited and Inner Dowsing Wind Farm limited) for the year ended 31 December 2021.

**Review of the business**

The GLID Wind Farms TopCo's Group ("the Group") financial statements have been prepared in accordance with International accounting standards in conformity with the requirement of the Companies Act 2006.

The subsidiary companies, Lynn Wind Farm Limited and Inner Dowsing Wind Farm Limited, have operated well during the year. Revenue was above plan due to favourable power prices.

**Principal risks and uncertainties**

The GLID Wind Farms TopCo Group's principal risk which is a known feature of wind farms is revenue uncertainty. Revenue is dependent on wind speeds and the related power curve which together impact the potential revenue of the wind farms. The availability is driven by the technical performance of the wind turbines and ancillary equipment, and the physical access to the wind farms. The power generated is sold under power purchase agreements and the power price was dependent on market pricing subject to a cap and floor in respect of 75% of the generation. ROCs are awarded based on production and have an annual price published by OFGEM which is indexed from 1 April each year. Revenue uncertainty impacts the Group's cash flow and as such the ability to make loan repayments and to make distributions when appropriate.

Going concern assumption has been reviewed in light of the corona virus epidemic. The situation has not had any impact on our contractual positions under the PPA contracts.

**Key performance indicators (KPIs)**

The Directors formally convene regular board meetings. The board meetings' standing agenda items provide a review of key performance metrics covering health, safety and the environment, operations and maintenance activity and financial performance.

The key drivers of financial performance are revenue and EBITDA. Revenue has reduced by 3% (2021: £76,857,000) from prior year (2020: £79,324,000). This decrease is primarily due to a combination of low generation, mitigated by high power prices.

EBITDA is calculated as below and has reduced by 6.2% in line with the drop in revenue during the year.

| **EBITDA** | **2021** | 2020 |
|---|---|---|
| | **£ 000** | £ 000 |
| Operating profit for the year | **35,056** | 39,231 |
| Add back: depreciation | **18,678** | 18,388 |
| | **53,734** | 57,619 |

To create the maximum renewable energy the group monitors the effectiveness of the wind farms on a regular basis and endeavours to achieve a high level of performance.

**Strategic Report for the Year Ended 31 December 2021 (continued)**

**Financial position**

The financial position of the Group and Company are presented in the Statement of Financial Position on pages 14 to 15. Total shareholders' funds for the Group at 31 December 2021 was £4,229,000 (2020: £4,829,000) and for the Company were £37,479,000 (2020: £12,662,000).

**Statement by the directors on performance of their statutory duties in accordance with S172(1) Companies Act 2006**

The directors have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and having regard (amongst other matters) to factors (a) to (f) S172 Companies Act 2006 in the decisions taken during the year ended 31 December 2021 including:-
a) the likely consequences of any decision in the long term;
b) the interests of the company's employees;
c) the need to foster the company's business relationships with suppliers, customers and others;
d) the impact of the company's operations on the community and the environment;
e) the desirability of the company maintaining a reputation for high standards of business conduct
e) the need to act fairly between members of the company;

The Board confirms that, during the year, it has had regard to the matters set out above. Further details as to how the Directors have fulfilled their duties, together with references to relevant areas within these financial statements are set out below.

The group's long-term plan is to generate fixed price revenue for the life of the wind farms and to decommission the wind farms at the end of the economic lives. No decision has been made to change the long-term plan.

The group does not have any employees. The directors use service providers for all operational activities. The directors ensure that any service providers act in due care towards its employees while working for the company including complying to the group's safety requirements.

The group fosters relationships through the selection of a reliable operations service provider which ensures its customers are supplied with an uninterrupted supply of clean electricity during windy days.

The group produces green energy thus having a low carbon impact on the environment.

The group has partnered with a reputable service provider to operate the windfarms.

When making decisions the board considers how this will impact all shareholders and ensures no preference is given to any one shareholder.

The directors ensure they are complying with the above by reviewing operations reports, wind farm production numbers and site safety reports.

## Strategic Report for the Year Ended 31 December 2021 (continued)

### Future developments

Commercial generation is expected to continue from the two subsidiary wind farms for the foreseeable future. Decisions will be made towards the end of the wind farm's useful economic life, around 2033, to decide if the assets will be decommissioned or a repowering of the site will be undertaken.

There are no further plans to change the nature of activities in the foreseeable future.

Approved by the Board on 25 March 2022 and signed by order of the board.

.........................................................

Alexis Ulens
Director

Company registered in England and Wales, No. 06707821

Registered office:

Grimsby Renewables Operations Base
North Quay
Grimsby
NE Lincolnshire
DN31 3SY

## Directors' Report for the Year Ended 31 December 2021

The Directors present their report and the audited consolidated Financial Statements for the year ended 31 December 2021.

### Directors of the Company

The directors who were in office during the year and up to the date of signing the financial statements were:

P Raftery
K Smith
A Ulens
K Mangan (*resigned 27 October 2021*)
K Byrne (appointed 27 October 2021)

### Principal activity

The principal activity of the Company and its subsidiaries ("the Group") is the operation of the Lynn and Inner Dowsing wind farms for the year.

### Results and Dividends

The results of the Group are set out on page 13. The consolidated profit for the financial year was £10,400,000 (2020: £16,720,000). The consolidated profit on ordinary activities before income tax for the year was £21,011,000 (2020: £24,026,000). The consolidated operating profit for the financial year was £35,056,000 (2020: £39,231,000). Dividends of £11,000,000 were declared during the year (2020: £16,500,000), the Directors propose a final dividend of £8,000,000 for the year ended 31 December 2021 (2020: £5,000,000). There were no dividends declared and unpaid and included in other creditors as at 31 December 2021 (2020: £nil).

### Financial instruments

***Objectives and policies***

The Directors have established objectives and policies for managing financial risks to enable the Group to achieve its long-term shareholder value growth targets within a prudent risk management framework. These objectives and policies are regularly reviewed. Exposure to counterparty credit risk and liquidity risk arises in the normal course of the Group's business.

***Interest Rate & Currency Risk***

The Group has no significant exposure to currency risk. The Group's transactions and balances are denominated in sterling. The Group loans are at a fixed interest rate. In respect of decommissioning an increase in the interest rate will result in an increase to the discount rate applied to decommissioning in the future.

***Price Risk***

Price risk is based on power prices and ROC prices. To mitigate electricity price risk, the Group has entered into power purchase agreements ("PPAs") with British Gas Trading Limited to sell power until September 2024, with the power prices based on market prices subject to a cap and floor in respect of 75% of generation. ROC prices are set annually by OFGEM.

***Credit Risk***

Counterparty credit exposures are monitored by individual counterparty. Credit risk is limited to exposures with British Gas Trading Limited, and Npower Commercial Gas Limited, both of which are on long term agreements. There are Parent Company Guarantees in place in respect of both agreements.

**Directors' Report for the Year Ended 31 December 2021 (continued)**

***Liquidity & Cash Flow Risk***

In order to review available liquidity, cash forecasts for the Group are produced and reviewed regularly. Low generation due to low wind or low availability affect both revenue and cash flow. In order to generate the maximum renewable energy, the Group monitors the performance of the wind farms on a regular basis and endeavours to achieve a high level of availability. From April 2017 GLID entered into a service and maintenance agreement (SMA) with Siemens Gamesa. The SMA provides warranties on the availability yield and provides price certainty.

**Future developments**

Future developments are discussed in the Strategic Report on page 2 to 4.

**Going concern**

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 2. The financial position of the company, its cash flows, liquidity position and borrowing facilities are described in the Directors' Report on pages 5 to 6. In addition, notes 2, 25 and 26 to the financial statements include the company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk. The company has considerable financial resources together with long term PPAs and contracts. As a consequence, the directors believe that the company is well placed to manage its business risks successfully. 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.

**Energy and Emissions Report**

The SECR disclosure covers our United Kingdom greenhouse gas emissions (scope 1 and 2), an appropriate intensity ratio, the total energy usage of gas, electricity, fuel for transport and production, and a summary of energy efficiency improvements carried out during the financial year.

All calculations are based on 2021 UK Government GHG Conversion

| | **2021** | **2021** | **2021** | **2021** |
|---|---|---|---|---|
| **Scope 2** | **energy KWh** | **Litres** | **Energy GJ** | **Emissions tCO2e** |
| Lynn Import Energy | 785,090 | | 2,826 | - |
| Inner Dowsing Import Energy | 740,980 | | 2,668 | - |
| Grimsby Base Energy | 222,994 | | 803 | - |
| Total Electricity Used | 1,749,064 | | 6,297 | |
| Total LPG | | 15,943 | 417 | 25 |
| Lynn Electricity Sold | (271,089,460) | | (975,922) | |
| Inner Dowsing Electricity Sold | (281,461,232) | | (1,013,260) | |
| Total Electricity Sold | (552,550,692) | | (1,989,182) | |
| **Total Net Energy Consumption** | **(551,024,622)** | | **(1,982,469)** | **25** |

Intensity ratio

| | | |
|---|---|---|
| TOTAL tCO2e per GWh production (tCO2e) | Scope 2 | 0.0449 |

**Directors' Report for the Year Ended 31 December 2021 (continued)**

UK energy use covers all Wind Farm operations and base activities across GLID Wind Farms Topco Ltd and it's subsidiaries, Lynn Wind Farm Ltd and Inner Dowsing Wind Farm Ltd.

GHG Emissions reporting are in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. Emissions factor sourcehttps://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021.

The group carried out the following actions during the financial year ending 31 December 2021:

- Involvement in proof of concept of wind maritime offshore vessel charging.
- Completed the installation of solar panels at the Grimsby Base.
- Continued a campaign to replace the lighting at the Grimsby Operational base with LED lighting.

**Directors' liabilities**

GLID Wind Farms TopCo Limited is jointly controlled and the Directors of the Company are nominated by the joint venture partners. The Directors are covered by their respective ultimate parent company's directors' and officers' liability insurance. The insurances do not provide cover in the event that the Director is proved to have acted fraudulently or unlawfully.

**Post balance sheet events**

There have been no significant events affecting the Group since the year end.

**Statement of Directors' Responsibilities in respect of the financial statements**

The directors are responsible for preparing the Strategic Report and 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 International accounting standards in conformity with the requirement of the Companies Act 2006. 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 and profit or loss of the Company and Group 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;
- state whether applicable International accounting standards in conformity with the requirement of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Directors' Report for the Year Ended 31 December 2021 (continued)**

The directors confirm that:

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

**Independent auditors**

Grant Thornton UK LLP, having expressed its willingness to continue in office, will be proposed for reappointment for the next financial year in accordance with section 489 of the Companies Act 2006.

The Directors' report was approved by the Board on 25 March 2022.

........................................................

Alexis Ulens

Director

Company registered in England and Wales, No. 06707821

Registered office:

Grimsby Renewables Operations Base
North Quay, Grimsby
NE Lincolnshire, DN31 3SY

## Independent Auditor's Report to the Members of GLID Wind Farms TopCo Limited

### Report on the financial statements

### Opinion

We have audited the financial statements of GLID Wind Farms TopCo Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021, which comprise the consolidated income statement, consolidated statement of comprehensive income, consolidated and company statement of financial position, consolidated and company statement of changes in equity, consolidated and company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International accounting standards in conformity with the requirements of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with International accounting standards in conformity with the requirements of the Companies Act 2006; and
- the financial statements 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 under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

**Independent Auditor's Report to the Members of GLID Wind Farms TopCo Limited (continued)**

**Conclusions relating to going concern (continued)**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

**Independent Auditor's Report to the Members of GLID Wind Farms TopCo Limited (continued)**

**Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement pages 7 and 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- we obtained an understanding of the legal and regulatory frameworks applicable to the group, and the industry in which it operates. We determined the Companies Act 2006 to be the most significant of the laws and regulations applicable to the entity.
- we enquired of management whether there were any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected fraud. We corroborated the results of our enquiries to supporting documentation such as board minute reviews. From the procedures performed we did not identify any material matters relating to non-compliance with laws and regulation or matters in relation to fraud.
- to assess the potential risks of material misstatement, we obtained an understanding of:
    - the group's operations, including the nature of its revenue sources, expected financial statement disclosures and business risks that may result in risk of material misstatement and
    - the group's control environment including the adequacy of procedures for authorisation of transactions.
- we assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
    - evaluating the processes and controls established to address the risks related to irregularities and fraud;
    - testing manual journal entries, in particular journal entries relating to management estimates and journal entries determined to be large or relating to unusual transactions;

**Independent Auditor's Report to the Members of GLID Wind Farms TopCo Limited (continued)**

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)**

- identifying and testing related party transactions.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the industry in which the client operates in, and their practical experience through training and participation with audit engagements of a similar nature.

**Use of our report**

This report is made solely to the group'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 group'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 group and the group's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Mark Overfield BSc FCA
Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
1 Whitehall Riverside
Leeds
LS1 4BN
25 March 2022

**Consolidated Income Statement for the Year Ended 31 December 2021**

| | Note | 2021 | 2020 |
|---|---|---|---|
| | | **£000** | £000 |
| **Continuing operations** | | | |
| Revenue | 4 | **76,857** | 79,324 |
| Cost of Sales | | **(32,881)** | (31,355) |
| **Gross profit** | | **43,976** | 47,969 |
| Administrative expenses | | **(8,920)** | (8,738) |
| **Operating profit** | 5 | **35,056** | 39,231 |
| Finance cost | 7 | **(14,045)** | (15,205) |
| **Profit before income tax** | | **21,011** | 24,026 |
| Income tax charge | 10 | **(10,611)** | (7,306) |
| **Profit for the financial year from continuing operations** | | **10,400** | 16,720 |

**Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2021**

| | 2021 | 2020 |
|---|---|---|
| | **£ 000** | £ 000 |
| Profit for the financial year | **10,400** | 16,720 |
| **Total comprehensive income for the year** | **10,400** | 16,720 |

**Consolidated Statement of Financial Position as at 31 December 2021**

| | Note | Group 2021 £ 000 | Group 2020 £ 000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | 11 | **216,683** | 233,547 |
| **Total non-current assets** | | **216,683** | 233,547 |
| **Current assets** | | | |
| Trade and other receivables | 13 | **25,285** | 21,352 |
| Inventories | 14 | **20** | 20 |
| Cash and cash equivalents | | **2,451** | 3,804 |
| **Total current assets** | | **27,756** | 25,176 |
| **Total assets** | | **244,439** | 258,723 |
| **Current liabilities** | | | |
| Short term finance liabilities | 17 | **(415)** | (345) |
| Borrowings | 20 | **(28,000)** | (13,687) |
| Trade and other payables | 15 | **(2,883)** | (2,035) |
| **Total current liabilities** | | **(31,298)** | (16,067) |
| **Non-current liabilities** | | | |
| Deferred tax liabilities | 16 | **(24,357)** | (19,213) |
| Long term finance liabilities | 17 | **(8,791)** | (9,243) |
| Other provisions | 19 | **(15,608)** | (15,698) |
| Borrowings | 20 | **(160,156)** | (193,672) |
| **Total non-current liabilities** | | **(208,912)** | (237,826) |
| **Total liabilities** | | **(240,210)** | (253,893) |
| **Net assets** | | **4,229** | 4,829 |
| **Equity** | | | |
| Called up share capital | 21 | **500** | 500 |
| Retained earnings | 22 | **3,729** | 4,329 |
| **Total shareholder surplus** | | **4,229** | 4,829 |

The financial statements on pages 13 to 41 were approved and authorised for issue by the Board of Directors on 25 March 2022 and signed on its behalf by:

.....................................................

Alexis Ulens
Director
Company number 06707821

**Company Statement of Financial Position as at 31 December 2021**

| | Note | **Company 2021 £ 000** | Company 2020 £ 000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | 11 | **6,494** | 6,756 |
| Investments | 12 | **95,996** | 95,996 |
| **Total non-current assets** | | **102,490** | 102,752 |
| **Current assets** | | | |
| Trade and other receivables | 13 | **125,412** | 119,634 |
| Inventories | 14 | **20** | 20 |
| Cash and cash equivalents | | **768** | 723 |
| **Total current assets** | | **126,200** | 120,377 |
| **Total assets** | | **228,690** | 223,129 |
| **Current liabilities** | | | |
| Short term finance liabilities | 17 | **(125)** | (86) |
| Borrowings | 20 | **(28,000)** | (13,687) |
| Trade and other payables | 15 | **(151)** | (98) |
| **Total current liabilities** | | **(28,276)** | (13,871) |
| **Non-current liabilities** | | | |
| Deferred tax liabilities | | **(16)** | - |
| Long term finance liabilities | 17 | **(2,763)** | (2,924) |
| Borrowings | 20 | **(160,156)** | (193,672) |
| **Total non-current liabilities** | | **(162,935)** | (196,596) |
| **Total liabilities** | | **(191,211)** | (210,467) |
| **Net assets** | | **37,479** | 12,662 |
| **Equity** | | | |
| Called up share capital | 21 | **500** | 500 |
| Retained earnings | 22 | **36,979** | 12,162 |
| **Total shareholder surplus** | | **37,479** | 12,662 |

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent company Income Statement. The profit for the parent company for the year was £35,817,000 (2020: Profit £22,282,000).

The financial statements on pages 13 to 41 were approved and authorised for issue by the Board of Directors on 25 March 2022 and signed on its behalf by:

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Alexis Ulens
Director
Company number 06707821

**Consolidated Statement of Changes in Equity for the Year Ended 31 December 2020**

| | Share capital £ 000 | Retained earnings £ 000 | Total £ 000 |
|---|---|---|---|
| Balance as at 1 January 2020 | 500 | 4,109 | 4,609 |
| Profit for the year | - | 16,720 | 16,720 |
| Total comprehensive income | - | 16,720 | 16,720 |
| Dividends | - | (16,500) | (16,500) |
| Total transactions with owners | - | (16,500) | (16,500) |
| **Balance as at 31 December 2020** | **500** | **4,329** | **4,829** |

**Consolidated Statement of Changes in Equity for the Year Ended 31 December 2021**

| | Share capital £ 000 | Retained earnings £ 000 | Total £ 000 |
|---|---|---|---|
| Balance as at 1 January 2021 | 500 | 4,329 | 4,829 |
| Profit for the year | - | 10,400 | 10,400 |
| Total comprehensive income | - | 10,400 | 10,400 |
| Dividends | - | (11,000) | (11,000) |
| Total transactions with owners | - | (11,000) | (11,000) |
| **Balance as at 31 December 2021** | **500** | **3,729** | **4,229** |

## Company Statement of Changes in Equity for the Year Ended 31 December 2020

| | Share capital £ 000 | Retained earnings £ 000 | Total £ 000 |
|---|---|---|---|
| Balance as at 1 January 2020 | 500 | 6,379 | 6,879 |
| Profit for the year | - | 22,282 | 22,282 |
| Total comprehensive income | - | 22,282 | 22,282 |
| Dividends | - | (16,500) | (16,500) |
| Total transactions with owners | | (16,500) | (16,500) |
| **Balance as at 31 December 2020** | **500** | **12,162** | **12,662** |

## Company Statement of Changes in Equity for the Year Ended 31 December 2021

| | Share capital £ 000 | Retained earnings £ 000 | Total £ 000 |
|---|---|---|---|
| Balance as at 1 January 2021 | 500 | 12,162 | 12,662 |
| Profit for the year | - | 35,817 | 35,817 |
| Total comprehensive income | - | 35,817 | 35,817 |
| Dividends | - | (11,000) | (11,000) |
| Total transactions with owners | | (11,000) | (11,000) |
| **Balance as at 31 December 2021** | **500** | **36,979** | **37,479** |

## Consolidated Statement of Cash Flows for the Year Ended 31 December 2021

| | Note | 2021<br>£ 000 | 2020<br>£ 000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit for the year | | **10,400** | 16,720 |
| Adjustments for: | | | |
| Depreciation | 11 | **18,998** | 18,388 |
| Finance costs | 7 | **14,045** | 15,205 |
| Income tax charge | 10 | **10,611** | 7,306 |
| Operating cash flows before movements in working capital | | **54,054** | 57,619 |
| Changes in working capital | | | |
| Increase in trade and other receivables | 13 | **(3,934)** | (841) |
| Increase/(decrease) in trade and other trade payables | 15 | **658** | (381) |
| Income taxes paid | | **(5,278)** | (6,941) |
| Net cash flow generated from operating activities | | **45,500** | 49,456 |
| **Cash flows from investing activities** | | | |
| Acquisitions of property plant and equipment | 11 | **(2,731)** | |
| Net cash flows (used in) / generated from investing activities | | **(2,731)** | - |
| **Cash flows from financing activities** | | | |
| Interest paid | | **(12,913)** | (14,118) |
| Repayment of borrowings | | **(19,203)** | (18,000) |
| Dividends paid to owners | | **(11,000)** | (17,000) |
| Repayment of leasing liabilities | | **(1,006)** | (993) |
| Net cash flows used in financing activities | | **(44,122)** | (50,111) |
| Net decrease in cash and cash equivalents | | **(1,354)** | (655) |
| Cash and cash equivalents at 1 January | | **3,804** | 4,459 |
| Cash and cash equivalents at 31 December | | **2,451** | 3,804 |

## Company Statement of Cash Flows for the Year Ended 31 December 2021

| | Note | 2021 £ 000 | 2020 £ 000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit for the year | | **35,817** | 22,282 |
| Adjustments for: | | | |
| Depreciation | 11 | **326** | 326 |
| Dividend income | | **(40,000)** | (25,000) |
| Finance income | | **(9,098)** | (11,839) |
| Finance costs | | **12,920** | 14,267 |
| Income tax charge | | **16** | - |
| Operating cash flows before movements in working capital | | **(19)** | 36 |
| Changes in working capital | | | |
| (Increase) / decrease in trade and other receivables | 13 | **(5,777)** | 8,258 |
| Increase/(decrease) in trade and other trade payables | 15 | **(150)** | 507 |
| Net cash flow generated from operating activities | | **(5,946)** | 8,801 |
| **Cash flows from investing activities** | | | |
| Interest received | | **9,098** | 11,839 |
| Acquisitions of property plant and equipment | 11 | **(64)** | - |
| Dividends received | | **40,000** | 25,000 |
| Net cash flows generated from investing activities | | **49,034** | 36,839 |
| **Cash flows from financing activities** | | | |
| Interest paid | | **(12,723)** | (14,063) |
| Repayment of borrowings | | **(19,000)** | (18,000) |
| Dividends paid to owners | | **(11,000)** | (17,000) |
| Repayment of leasing liabilities | | **(319)** | (312) |
| Net cash flows used in financing activities | | **(43,043)** | (49,376) |
| Net increase / (decrease) in cash and cash equivalents | | **45** | (3,736) |
| Cash and cash equivalents at 1 January | | **723** | 4,459 |
| Cash and cash equivalents at 31 December | | **768** | 723 |

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 1 General information

GLID Wind Farms TopCo Limited (the 'Company') is a company limited by shares and incorporated and domiciled in England and Wales.

The address of its registered office and principal place of business is:
Grimsby Renewables Operations Base
North Quay
Grimsby
NE Lincolnshire
DN31 3SY

The principal activity of the Group and Company is the operation of the Lynn and Inner Dowsing wind farms.

### 2 Accounting policies

**Statement of compliance**

These financial statements have been prepared in accordance with International accounting standards in conformity with the requirement of the Companies Act 2006.

**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.

**Basis of consolidation**

The Group's financial statements consolidate the financial statements of the Company and all of its subsidiary undertakings. Acquisitions of subsidiaries are dealt with by the acquisition method of accounting. Each company in the Group has adopted the same accounting policies and they are applied uniformly across the Group. The financial statements of each company in the Group have been prepared to 31 December 2021. All intra-group transactions and profits are eliminated in full on consolidation.

**Basis of preparation**

The Group's financial statements have been prepared in accordance with International Accounting Standards and in accordance with International accounting standards in conformity with the requirement of the Companies Act 2006.

These financial statements are presented in pound sterling (with all values rounded to the nearest thousand pounds except when otherwise indicated), which is also the functional currency of the Group. Transactions conducted in currencies other than the functional currency are translated in accordance with the foreign currencies accounting policy set out below.

The financial statements are prepared on the historical cost basis except for derivative financial instruments and financial instruments designated at fair value through profit and loss on initial recognition.

## 2 Accounting policies (continued)

### Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 2. The financial position of the group, its cash flows, liquidity position and borrowing facilities are described in the Directors' Report on page 5. In addition, notes 2, 25 and 26 to the financial statements include the group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk. The group has considerable financial resources together with long term PPAs and contracts. In light of COVID-19 the group has performed sensitivity analysis on cash flows which show that the group is expected to generate positive cash flows for the foreseeable future. As a consequence, the directors believe that the group is well placed to manage its business risks successfully. The directors have a reasonable expectation that the group 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.

### Revenue recognition

Revenue relates to the sale of generated power and the associated Renewables Obligation Certificates ("ROCs") including Recycling Benefit. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is recognised on the basis of power supplied during the period, together with associated ROCs, except that the ROC Recycling Benefit and Triad Revenue is recognised once the once the value of the benefit is declared and highly unlikely to reverse. Revenue which has not been billed at the reporting date is included as accrued income.

### Cost of sales

Cost of sales includes the depreciation of assets and operations and maintenance costs.

**2 Accounting policies (continued)**

**Leased Assets**

The Group makes the use of leasing arrangements principally for the occupation of the Seabed for the Wind Farm, related facilities and equipment. The Seabed lease is for a fixed term of 36 years with no extension. The related facility and equipment leases are for terms of between 5 and 25 years and some of these have extension terms. The Group does not enter into sale and leaseback arrangements.

The Group assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

*Measurement and recognition of leases as a lessee*

At lease commencement date, the Group recognises a right-of-use asset and a lease liability in its consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Group's incremental borrowing rate because as the lease contracts are negotiated with third parties it is not possible to determine the interest rate that is implicit in the lease. The incremental borrowing rate is the estimated rate that the Group would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. This rate is adjusted should the lessee entity have a different risk profile to that of the Group.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

**Notes to the Financial Statements for the Year Ended 31 December 2021**

**2 Accounting policies (continued)**

**Taxation**
Current tax, being UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Tax is recognised in the Income Statement, 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 income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the group. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.
The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**Property, plant and equipment ("PP&E")**
PP&E is stated in the Statement of Financial Position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of PP&E 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** |
|---|---|
| Plant and Machinery: | Straight line, between 8 to 25 years |
| Decommissioning asset: | Straight line, 25 years |

**Impairment**
The carrying values of PP&E are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is immediately reduced to its recoverable amount. The carrying values of PP&E are tested for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

**Inventories**
Inventories are stated at the lower of cost incurred in bringing each item to its present location and condition and net realisable value. Provision is made where necessary for obsolete, slow-moving and defective inventories. Cost is determined on a FIFO (first in, first out) basis.

**Notes to the Financial Statements for the Year Ended 31 December 2021**

**2 Accounting policies (continued)**

**Provisions**
Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.
Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

**Decommissioning costs**
Provision is made for the net present value of the estimated cost of decommissioning the wind farms at the end of their useful lives, based on price levels and technology at the SOFP date.
When this provision relates to an asset with sufficient future economic benefits, a decommissioning asset is recognised and included as part of the associated PP&E and depreciated accordingly. Changes in these estimates and changes to the discount rates are dealt with prospectively and reflected as an adjustment to the provision and corresponding decommissioning asset included within PP&E. The unwinding of the discount on the provision is included in the Income Statement within interest expense.

**Financial assets and liabilities**
Financial assets and financial liabilities are recognised in the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised when the Group no longer has the rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are de-recognised when the obligation under the liability is discharged, cancelled or expires.
The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

**Trade and other receivables**
All amounts are short term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

The receivable due from customers relates to power sold or services performed in the ordinary course of business.

**Trade and other payables**
All amounts are short term. The carrying value of trade payables and short-term bank overdrafts are considered to be a reasonable approximation of fair value.

**Notes to the Financial Statements for the Year Ended 31 December 2021**

## 2 Accounting policies (continued)

### Equity, reserves and dividend payments

Financial instruments issued by the group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The group's ordinary shares are classified as equity. Transaction costs on the issue of shares are deducted from the share premium account arising on that issue. Dividends on the group's ordinary shares are recognised directly in equity. Interim dividends are recognised when they are paid. A liability for unpaid dividends is recognised when the dividends have been approved in a general meeting prior to the reporting date.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

### Interest-bearing loans and other borrowings

All interest-bearing (and interest free) loans and other borrowings with banks or similar institutions and 'intercompany entities' are initially recognised at fair value net of directly attributable transaction costs (if any, in respect of 'intercompany funding'). After initial recognition, these financial instruments are measured at amortised cost using the 'Effective Interest Rate' method, except when they are the hedged item in an effective fair value hedge relationship where the carrying value is also adjusted to reflect the fair value movements associated with the hedged risks. Such fair value movements are recognised in the Consolidated Income Statement. Amortised cost is calculated by taking into account any issue costs, discount or premium, when applicable.

## 3 Critical accounting judgements and key sources of estimation uncertainty

**Useful lives of PP&E** (accounting judgement)

Depreciation is charged so as to write off the costs of the assets over their estimated useful lives. The expected useful lives of the assets are anticipated to be 25 years, should the expected lives change then this will affect the annual depreciation charge.

**Impairment of PP&E** (accounting judgement)

The Group's wind farm assets comprise various property, plant and equipment. The Group makes judgements and estimates in considering whether the carrying amounts of these assets are recoverable. Should the recoverable amounts be less than the current carrying values then an impairment charge is made to reduce the assets down to their net recoverable amounts. There are no indicators that PPE is impaired based on performance during the year and post year end.

## 3 Critical accounting judgements and key sources of estimation uncertainty (continued)

**Decommissioning costs** (estimate)
The estimated cost of decommissioning at the end of the wind farm's life is reviewed periodically and is based on price levels and technology at the balance sheet date. The uninflated discounted cost of decommissioning is as per the latest (2019) independent decommissioning report which was commissioned by the Group for use by the Crown Estate. The main assumptions used are based on leaving the cables in situ. The report is updated every 5 years with the next review expected by the end of 2023. Management have used the report as a basis for the provision and reassessed the assumptions and judgements and consider them still to be appropriate for the estimated cost of decommissioning at the balance sheet date. The fundamental cost drivers are largely unchanged, and a review of the reports proposed decommissioning process delivered a view that this was also the most efficient process as of the balance sheet date. The payment dates of total expected future decommissioning costs are uncertain but are currently anticipated to be 2033. Due to changes in relation to these items the future actual cash outflows in relation to decommissioning are likely to differ in practice. In determining the provision, the cash flows have been discounted on a pre-tax basis using an annual risk-free interest rate of 3.2% (2020: 2.9%). The assumed rate of inflation is 2.5% (2020: 2.5%).

**'Right to cancel' option for leases** (accounting judgement)
When the entity has the right to cancel a lease, management uses its judgement to determine whether or not the right would be reasonably certain to be exercised. Management considers all facts and circumstances including their past practice and any cost that will be incurred to change the asset if the right to cancel is not taken, to help them determine the lease term. Management believe it is reasonably certain that the right to cancel the lease will be exercised at the end of the useful life of the wind farm.

## 4 Revenue

All turnover relates to the principal activity of the business and occurs wholly in the United Kingdom. The analysis of the Group's revenue for the year from continuing operations is as follows:

| | 2021<br>£ 000 | 2020<br>£ 000 |
|---|---|---|
| Sale of generated electricity and associated environmental credits | **76,857** | 79,324 |

## 5 Operating Profit

| | 2021 | 2020 |
|---|---|---|
| **Operating profit is stated after charging:** | **£ 000** | £ 000 |
| Depreciation of tangible assets (note 11) | **17,984** | 17,694 |
| Depreciation of right-of-use assets (note 11) | **694** | 694 |
| Operating lease payments | **142** | 337 |

**Notes to the Financial Statements for the Year Ended 31 December 2021**

## 6 Employees' costs

The Group and the Company had no employees and therefore no staff costs (2020: £nil).

## 7 Net Finance costs

| Finance costs | 2021 | 2020 |
|---|---|---|
| | **£ 000** | £ 000 |
| Interest on shareholder loans | **12,677** | 14,033 |
| Interest expense for leasing arrangements | **624** | 647 |
| Interest on bank overdrafts and borrowings | **236** | 85 |
| Unwinding of discount on decommissioning provision | **508** | 440 |
| **Total finance costs** | **14,045** | 15,205 |

## 8 Directors' remuneration

The aggregate emoluments paid to directors in respect of their qualifying services is £nil (2020: £nil). GLID Wind Farms TopCo Limited is a jointly controlled entity and the Directors are nominated by the joint venturers in respect of services to the companies and all remuneration is paid by other group companies of the joint venturers. Accordingly, no emoluments are paid for their services to the Group and the Company.

## 9 Auditor's remuneration

Auditor's remuneration was £46,000 and relates to the audit of the Financial Statements, of which £20,000 relates to the audit of the Company and £26,000 relates to the audit of the subsidiaries (2020: £42,000, of which £18,000 relates to the audit of the Company and £24,000 relates to the audit of the subsidiaries). Non-audit fees during the year amounted to £9,500 tax compliance and £1,500 tax advisory (2020, non-audit fees: £8,000 tax compliance, £2,000 tax advisory).

**Notes to the Financial Statements for the Year Ended 31 December 2021**

### 10 *Income tax Group*

Tax charged in the income statement

| | 2021 | 2020 |
|---|---|---|
| | £ 000 | £ 000 |
| **Current taxation** | | |
| UK corporation tax at 19% (2020: 19%) | **5,467** | 5,331 |
| Adjustments in respect of prior years | **-** | (53) |
| | **5,467** | 5,278 |
| **Deferred taxation** | | |
| Origination and reversal of timing differences | **(923)** | (37) |
| Effect of tax rate change on opening balance | **6,067** | 2,065 |
| Total deferred tax charge | **5,144** | 2,028 |
| Tax on profit on ordinary activities | **10,611** | 7,306 |
| **Provision for deferred tax** | | |
| *Movement in provision:* | | |
| Provision at start of period | **19,213** | 17,185 |
| Deferred tax charged in the income statement in the period | **5,144** | 2,028 |
| Provision at end of period | **24,357** | 19,213 |

Tax expense for the year is higher (2020: higher) than the standard rate of corporation tax in the UK for the year ended 31 December 2021 at 19% (2020: 19%). The differences are explained below:

| | 2021 | 2020 |
|---|---|---|
| **Reconciliation of tax charge** | **£ 000** | £ 000 |
| Profit before tax on continuing operations | **21,011** | 24,026 |
| Profit multiplied by the standard rate of tax in the UK of 19% (2020: 19%) | **3,992** | 4,565 |
| ***Effects of:*** | | |
| Fixed asset differences | **112** | 107 |
| Expenses not deductible | **733** | 733 |
| Remeasurement of deferred tax for changes in tax rates* | **5,841** | 2,020 |
| Movement in decommissioning asset | **(60)** | (56) |
| Adjustments in respect of prior years | **(0)** | (52) |
| Movement in deferred tax not recognised | **(7)** | (11) |
| Income tax charge | **10,611** | 7,306 |

* Change in forecast rate of deferred tax from 19% to 25% (2020: 17% to 19%)

**Notes to the Financial Statements for the Year Ended 31 December 2021**

## 11 Property, plant and equipment

| | Plant and machinery £ 000 | Decommissioning asset £ 000 | Total £ 000 |
|---|---|---|---|
| **Cost** | | | |
| At 1 January 2021 | 529,161 | 10,833 | 539,994 |
| Additions | 2,731 | - | 2,731 |
| Revisions (Note 19) | - | (598) | (598) |
| Disposals | (4,288) | - | (4,288) |
| **At 31 December 2021** | **527,605** | **10,235** | **537,840** |
| **Accumulated Depreciation** | | | |
| At 1 January 2021 | 299,588 | 6,859 | 306,447 |
| Charge for the year | 18,678 | 319 | 18,997 |
| Disposals | (4,288) | - | (4,288) |
| **At 31 December 2021** | **313,979** | **7,178** | **321,157** |
| **Carrying amount** | | | |
| **At 31 December 2021** | **213,626** | **3,057** | **216,683** |
| At 31 December 2020 | 229,573 | 3,974 | 233,547 |

| | |
|---|---|
| Included in the above line items are right-of-use assets over the following:- | |
| Plant and Machinery - Seabed, Pontoon, Fork Lift Truck | **8161** |

Disposals in the year relate to a short life foundation corrosion asset costing £4,288k. Additions include Anodes costing £2,666k to be depreciated over the remaining useful life of the Wind Farm.

The company has the following property, plant and equipment:

| | Plant and machinery £ 000 | Total £ 000 |
|---|---|---|
| **Cost** | | |
| At 1 January 2021 | 7,580 | 7,580 |
| Additions | 64 | 64 |
| **At 31 December 2021** | **7,644** | **7,644** |
| **Accumulated Depreciation** | | |
| At 1 January 2021 | 824 | 824 |
| Charge for the year | 326 | 326 |
| **At 31 December 2021** | **1,150** | **1,150** |
| **Carrying amount** | | |
| **At 31 December 2021** | **6,494** | **6,494** |
| At 31 December 2020 | 6,756 | 6,756 |

| | |
|---|---|
| Included in the above line items are right-of-use assets over the following:- | |
| Plant and Machinery - Pontoon & Fork Lift Truck | **2,555** |

**Notes to the Financial Statements for the Year Ended 31 December 2021**

## 12 Investments in subsidiaries

The Company had the following investments in subsidiaries;

| **Subsidiaries** | **£ 000** |
|---|---|
| **Cost** | |
| At 31 December 2020 and 1 January 2021 | 179,310 |
| **At 31 December 2021** | **179,310** |
| **Provision** | |
| At 31 December 2020 and 1 January 2021 | 83,314 |
| **At 31 December 2021** | **83,314** |
| **Carrying amount** | |
| At 31 December 2020 and 1 January 2021 | 95,996 |
| **At 31 December 2021** | 95,996 |

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

At 31 December 2021, the Company held interests in the issued share capital of the following undertakings, both of which have been consolidated in these financial statements:

| **Name of subsidiary** | **Principal activity** | **Class of shares held** | **Country of incorporation and principal place of business** | **Proportion of ownership interest and voting rights held 2021** | **2020** |
|---|---|---|---|---|---|
| Lynn Wind Farm Limited* | Operation of an offshore wind farm | Ordinary | United Kingdom | 100% | 100% |
| Inner Dowsing Wind Farm Limited* | Operation of an offshore wind farm | Ordinary | United Kingdom | 100% | 100% |

* indicates direct investment of GLID Wind Farms TopCo Limited

**Notes to the Financial Statements for the Year Ended 31 December 2021**

## 13 Trade and other receivables

| | Group 2021 £ 000 | Group 2020 £ 000 | Company 2021 £ 000 | Company 2020 £ 000 |
|---|---|---|---|---|
| **Financial assets:** | | | | |
| Trade receivables | **6,346** | 3,963 | **-** | - |
| Accrued income | **18,574** | 17,318 | **-** | - |
| Amounts owed by group undertakings | **-** | - | **123,763** | 117,946 |
| | **24,920** | 21,281 | **123,763** | 117,946 |
| **Non-financial assets:** | | | | |
| Value added tax | **-** | - | **1,649** | 1,688 |
| Prepayment | **365** | 71 | **-** | - |
| | **25,285** | 21,352 | **125,412** | 119,634 |

Part of the accrued income balance at 31 December 2021 was subject to the terms of the Power Purchase Agreement (note 25).

The remaining amounts owed by Group undertakings to the company are repayable on demand and may be repaid at any time without penalty. The rate of interest is 9% per annum.

## 14 Inventories

| | Group 2021 £ 000 | Group 2020 £ 000 | Company 2021 £ 000 | Company 2020 £ 000 |
|---|---|---|---|---|
| Raw materials and consumables | **20** | **20** | **20** | 20 |

The write-up of stocks and consumables in the year amounted to £nil (2020 £nil). Stock and consumables expensed to the Income Statement amounted to £nil (2020: £nil). Stock of £nil was sold during the year.

## 15 Trade and other payables

| | Group 2021 £ 000 | Group 2020 £ 000 | Company 2021 £ 000 | Company 2020 £ 000 |
|---|---|---|---|---|
| Trade payables | **94** | 69 | **94** | 69 |
| Accrued expenses | **713** | 698 | **57** | 29 |
| Corporation tax | **468** | 279 | **-** | - |
| VAT creditor | **1,608** | 989 | **-** | - |
| | **2,883** | 2,035 | **151** | 98 |

## 16 Deferred tax liabilities

The movements in respect of the deferred income tax assets and liabilities for the Group that occurred during the financial year are as follows:

| | **Group 2021 £ 000** | Group 2020 £ 000 |
|---|---|---|
| **At 1 January** | **19,213** | 17,185 |
| Charged to the income statement | **5,144** | 2,028 |
| **At 31 December** | **24,357** | 19,213 |

| | **31 December 2021** | 31 December 2020 |
|---|---|---|
| Deferred corporation tax | | |
| Fixed Assets | **27,495** | 21,441 |
| Temporary differences | **(3,138)** | (2,228) |
| | **24,357** | 19,213 |

A deferred tax asset was recognised based on the expected recovery in future years following the usual business model for a project-financed wind farm, with cash generated from operations used to repay interest and loans and hence successively reduce future financing costs.

## 17 Lease Liabilities

| | **Group 2021** | Group 2020 | **Company 2021** | Company 2020 |
|---|---|---|---|---|
| | **£ 000** | £ 000 | **£ 000** | £ 000 |
| **Long-term lease liabilities** | | | | |
| Seabed (group only), pontoon and fork lift truck | **8,791** | 9,243 | **2,763** | 2,924 |
| **Short-term lease liabilities** | | | | |
| Seabed (group only), pontoon and fork lift truck | **415** | 345 | **125** | 86 |
| | **9,206** | 9,588 | **2,888** | 3,010 |

## 18 Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

| | Long term borrowings £ 000 | Short term borrowings £ 000 | Lease liabilities £ 000 | Total £ 000 |
|---|---|---|---|---|
| **1 January 2021** | 193672 | 13687 | 9588 | 216947 |
| **Cashflows:** | | | | |
| Repayment | | (19,203) | (1,006) | (20,209) |
| **Non cash:** | | | | |
| Movement on accrued interest | | - | - | - |
| Interest | | | 624 | 624 |
| Reclassification | (33,516) | 33,516 | | - |
| **31 December 2021** | 160,156 | 28,000 | 9,206 | **197,362** |

## 19 Other provisions

| | **Group 2021 £ 000** | Group 2020 £ 000 | **Company 2021 £ 000** | Company 2020 £ 000 |
|---|---|---|---|---|
| **Decommissioning provision** | | | | |
| At 1 January | **15,698** | 15,032 | - | - |
| Revisions | **(598)** | 226 | - | - |
| Unwind of discounting | **508** | 440 | - | - |
| | **15,608** | 15,698 | - | - |

The decommissioning provision represents the future expected costs of decommissioning the Group's wind farms at the end of their useful economic lives, discounted to the present value. The payment date of the total expected future decommissioning costs is uncertain but is currently anticipated to be 2033. The uninflated discounted cost of decommissioning per the latest (2019) report is £15,745,000 (2017: £17,552,000) and is based on a probabilistic model which leaves the cables in situ. Due to changes in relation to these items the future actual cash outflows in relation to decommissioning are likely to differ in practice. The above provision relates solely to assets held as at the date of these financial statements. In determining the provision, the cash flows have been discounted on a pre-tax basis using an annual risk-free interest rate of 3.2% (2020: 2.9%). The assumed rate of inflation is 2.5% (2020: 2.5%).

**Notes to the Financial Statements for the Year Ended 31 December 2021**

## 20 Borrowings

| | Group 2021 | Group 2020 | Company 2021 | Company 2020 |
|---|---|---|---|---|
| | **£ 000** | £ 000 | **£ 000** | £ 000 |
| **Current - Shareholder loans** | **28,000** | 13,687 | **28,000** | 13,687 |
| | **28,000** | 13,687 | **28,000** | 13,687 |

| | Group 2021 | Group 2020 | Company 2021 | Company 2020 |
|---|---|---|---|---|
| | **£ 000** | £ 000 | **£ 000** | £ 000 |
| **Non-current - Shareholder loans** | **160,156** | 193,672 | **160,156** | 193,672 |
| | **160,156** | 193,672 | **160,156** | 193,672 |

| | Group 2021 | Group 2020 | Company 2021 | Company 2020 |
|---|---|---|---|---|
| | **£ 000** | £ 000 | **£ 000** | £ 000 |
| **Maturity of Shareholder loans** | | | | |
| Within one year | **28,000** | 13,687 | **28,000** | 13,687 |
| In more than one year, but not more than two years | **24,000** | 19,055 | **24,000** | 19,055 |
| In more than two years, but not more than five years | **90,000** | 77,219 | **90,000** | 77,219 |
| In more than five years | **46,156** | 97,398 | **46,156** | 97,398 |
| | **188,156** | 207,359 | **188,156** | 207,359 |

The shareholder loans consist of three debenture loan notes issued to the current parent undertakings in the form of parent loans with £114,313,000 to UK Green Investment LID Limited (2020: £125,980,000), £64,490,000 to RI Income UK Holdings Limited (2020: £71,071,000) and £9,353,000 to RI EU Holdings (UK) Limited (2020: £10,308,000). The notes bear interest on their outstanding principal amount at a rate of 6.5% per annum. The notes are due to be repaid in full on 30 September 2029. Total interest of £535,000 has accrued on these loan notes at 31 December 2021 (2020: £737,000).

The Group's exposure to market and liquidity risk; including maturity analysis, in respect of loans and borrowings is disclosed in note 25.

**Notes to the Financial Statements for the Year Ended 31 December 2021**

## 21 Share capital

**Allotted, called up and fully paid shares**

| | **2021** | **2021** | 2020 | 2020 |
|---|---|---|---|---|
| | **No. 000** | **£ 000** | No. 000 | £ 000 |
| Ordinary A shares of £1 each | **304** | **304** | 304 | 304 |
| Ordinary B shares of £1 each | **196** | **196** | 196 | 196 |
| | **500** | **500** | 500 | 500 |

Ordinary A and B shares entitle the holders to participate in dividends and capital distributions, including on a winding up in proportion to the number and amounts paid on the shares held.

On a written resolution or on a show of hands the holders of the 'A' shares have, in aggregate, one vote and the holders of the 'B' share have, in aggregate one vote in either case irrespective of the number of shares held by them and irrespective of relevant proportions.

## 22 Reserves

**Called-up share capital** - represents the nominal value of the shares that have been issued.

**Retained earnings** - includes all current and prior period retained profits and losses

## 23 Other commitments and contingencies

**Capital commitments**

The total amount contracted for but not provided in the financial statements was £nil (2020: £nil).

## 24 Fair value of financial instruments held at amortised cost

The Group and Company's financial assets and liabilities measured at amortised cost comprise trade and other receivables, cash and cash equivalents, trade and other payables and loans and borrowings. Due to their short term maturity (excluding shareholder loans), the fair values of financial assets and liabilities measured at amortised cost are estimated to approximate their carrying values. Regarding shareholder loans there are few similar assets that exist. The directors, after considering bond rate movements and changes in risk profile of the group, believe that the rate at inception remains similar to that which they might expect to obtain as at the balance sheet date, and so they believe that their carrying value approximates to their fair value. An increase/decrease of 1% in that rate would change that fair value by approximately £5.5m.

***Loans and receivables credit risk exposure***

| | **2021** | 2020 |
|---|---|---|
| | **£ 000** | £ 000 |
| AAA to BBB- | **24,920** | 21,281 |

***Cash and cash equivalents credit risk exposure***

| | **2021** | 2020 |
|---|---|---|
| | **£ 000** | £ 000 |
| AAA to BBB- | **2,451** | 3,804 |

## 25 Financial risk management and impairment of financial assets

The Group's normal operating, investing and financing activities expose it to a variety of financial risks: credit risk, market risk (including price risk, interest rate risk and currency risk) and liquidity risk. The Group's overall financial risk management approach aims to identify, manage and mitigate these risks.

On 7 March 2016 three loan notes were issued to the current parent undertakings in the form of parent loans. At 31 December 2021, the amounts outstanding were £114,313,000 to UK Green Investment LID Limited (2020: £125,980,000), £64,490,000 to RI Income UK Holdings Limited (2020: £71,071,000) and £7,943,000 to RI EU Holdings (UK) Limited (2020: £10,308,000). The notes bear interest on their outstanding principal amount at a rate of 6.5% per annum. The notes and interest are due to be repaid in full on 30 September 2029.

GLID Windfarms TopCo Limited has provided a letter of support to both Lynn Wind Farm Limited and Inner Dowsing Wind Farm Limited, such that amounts owed to the parent company will only be requested subject to the subsidiaries being able to meet their liabilities as they fall due.

**Credit risk and impairment**
Credit risk is the risk of loss associated with a counterparty's inability or failure to discharge its obligations under a contract.
The Group is exposed to credit risk in its sale of goods and services and on its treasury activities. Counterparty credit exposures are monitored by individual counterparty and by a minimum threshold credit rating.
There have been no material changes in the management of risk in the period or in the level of exposure to counterparties below investment grade.

***Concentrations of credit risk***
The Group sells all of its generated electricity and 50% of the associated environmental credits to British Gas Trading Limited.
The remainder of the associated environmental credits are sold to NPower Commercial Gas Limited (NCGL).
There is a Parent Company Guarantee in place in respect of the NCGL and British Gas Trading Agreements.
The Group's cash and cash equivalents are all held with a single financial institution.

**Past due and impaired financial assets**

No financial assets are past due at 31 December 2021 (2020: £nil) and no allowances have been made for impairment by credit losses (2020: £nil).

**Market risk**
Market risk is the risk of loss that results from changes in market prices (commodity prices, interest rates and foreign exchange rates). The level of market risk to which the Group is exposed at a point in time varies depending on market conditions, expectations of future price or market rate movements.

**Commodity price risk**
The Group is exposed to commodity price risk from the sale of electricity produced by the wind farms. The Group is also exposed to volumetric risk in the form of an uncertain production profile that is dependent on wind speeds and the physical availability of the wind farms. The availability is driven by technical performance of the wind turbines, physical access to the wind farm and distribution and transmission system availability.

**25 Financial risk management and impairment of financial assets (continued)**

To manage the price risk the Group has entered into power purchase agreements with British Gas Trading Limited to sell power and ROCs until September 2024 based on a market index and NCGL to sell ROCs until March 2026 based on a market index. The commodity price exposure is managed by terms in these agreements that provide both a cap and floor to the prices achieved in respect of 75% of output.

There is a concentration of price risk to the Group as all of the electricity produced has to be immediately sold at the day-ahead market price, subject to the cap and floor prices included in the power purchase agreements. Current day ahead prices are close to the power price floor and have during the financial year been close to the floor therefore there is a greater probability of upside than downside on power prices in future years for the 75% of generation covered by the floor price.

The volumetric risk is managed through operations and maintenance activities targeted to maximise commercial availability and yield from the available wind resource.

***Sensitivity analysis***

Sales of electricity represent approximately 30% of the Group's revenue. The impact to the Group on revenue of a +/- 5% change in UK power prices would be +/- £0.6 million.

**Other price risk**

The Group is exposed to price risk from the sale of Renewable Obligation Certificates ("ROCs") awarded based on electricity production. There is a variable price component within this revenue stream, but the prices are substantially linked to the movement in the UK Retail Price Index.

The Group is also exposed to regulatory risk in the form of ongoing governmental support for the issue of these certificates.

The Group's power purchase agreements provide for 100% of the ROCs to be sold on a long-term contracted basis between March 2016 and September 2024.

All of the certificates awarded have been contracted for sale based on the price set by government, which concentrates the price risk based on government actions to set industry targets for the supply of renewable power.

***Sensitivity analysis***

The main sensitivity is around the variable price component of ROCs, the Recycling Benefit ("ROC recycle"), which represents an incremental level of revenue above the basic price set by government (the "buy-out price"). The Group deems that a range for the ROC recycle of between 0% - 10% of the ROC buy-out price is reasonably possible. The impact of such movements on profit and equity, both after taxation, is not material to the Group.

**Interest rate risk**

In the normal course of business, the Group borrows to finance operations. Since 7 March 2016 the Group is no longer exposed to interest rate risk because the interest rates on the shareholder loans are fixed at 6.5%. In respect of decommissioning a 1% increase in interest rate will see an increase to the discount rate applied in the future resulting in a £1.7m reduction to the provision.

**Notes to the Financial Statements for the Year Ended 31 December 2021**

**25 Financial risk management and impairment of financial assets (continued)**

**Liquidity risk**

Liquidity risk is the risk that the Group is unable to meet its financial obligations as they fall due. The Group experiences movements in its liquidity position due to the seasonal nature of its business.

To mitigate this risk the Group holds cash on deposit and has undrawn revolving facilities of £5.0m as at 31 December 2021 (£3.5m at 31 December 2020).

**Maturity analysis**

| | Note | Within 1 year £ 000 | Between 1 and 2 years £ 000 | Between 2 and 5 years £ 000 | After more than 5 years £ 000 | Total £ 000 |
|---|---|---|---|---|---|---|
| **At 31 December 2021** | | | | | | |
| Trade and other payables | 15 | **2,883** | - | - | - | **2,883** |
| Liabilities arising from finance activities | 17 | **415** | **478** | **1,724** | **6,590** | **9,207** |
| Borrowing | 20 | **28,000** | **24,000** | **90,000** | **46,156** | **188,156** |
| | | **31,298** | **24,478** | **91,724** | **52,746** | **200,245** |

| | Note | Within 1 year £ 000 | Between 1 and 2 years £ 000 | Between 2 and 5 years £ 000 | After more than 5 years £ 000 | Total £ 000 |
|---|---|---|---|---|---|---|
| **At 31 December 2020** | | | | | | |
| Trade and other payables | 15 | 2,035 | - | - | - | 2,035 |
| Liabilities arising from finance activities | 17 | 345 | 436 | 1,574 | 7,233 | 9,588 |
| Borrowing | 20 | 13,687 | 19,055 | 77,219 | 97,398 | 207,359 |
| | | 16,067 | 19,491 | 78,793 | 104,631 | 218,982 |

**Capital risk management**

**Capital components**

The Group considers Capital to comprise share capital, accumulated profits and net debt, which in turn is net of loans and borrowings and cash and cash equivalents.

**Capital components**

| **Total capital** | **Note** | **At 31 December 2021 £ 000** | At 31 December 2020 £ 000 |
|---|---|---|---|
| Share capital | 21 | **500** | 500 |
| Accumulated profits | 22 | **3,729** | 4,329 |
| Non-current loans and borrowings | 20 | **160,156** | 193,672 |
| Cash and cash equivalents | | **(2,451)** | (3,804) |
| | | **161,934** | 194,697 |

**Notes to the Financial Statements for the Year Ended 31 December 2021**

**25 Financial risk management and impairment of financial assets (continued)**

**Capital management**

The Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for their stakeholders.

The Group monitors its current and projected capital position on a regular basis through cash flow forecasts, which consider different inputs including significant movements in commodity prices. In order to maintain the capital structure, the Group may adjust future distributions to shareholders.

**26 Financial instruments**

**Categories of financial instrument**

**Financial Assets**

| | **Group** | **Group** | **Company** | **Company** |
|---|---|---|---|---|
| **31 December 2021** | Amortised cost | Total | Amortised cost | Total |
| **Financial assets** | **£ 000** | **£ 000** | **£ 000** | **£ 000** |
| Other long-term financial assets | | - | 123,763 | 123,763 |
| Trade and other receivables * | 24,920 | 24,920 | | - |
| Cash and cash equivalents | 2,451 | 2,451 | 768 | 768 |
| **Total financial assets** | **27,371** | **27,371** | **124,531** | **124,531** |

*these amounts only represent trade receivables that are financial assets

| | **Group** | **Group** | **Group** | **Company** | **Company** | **Company** |
|---|---|---|---|---|---|---|
| **31 December 2021** | Other liabilities at FVTPL | Other liabilities (amortised cost) | Total | Other liabilities at FVTPL | Other liabilities (amortised cost) | Total |
| **Financial liabilities** | **£ 000** | **£ 000** | **£ 000** | **£ 000** | **£ 000** | **£ 000** |
| Non-current borrowings | | 196,947 | 196,947 | | 190,919 | 190,919 |
| Current borrowings | | 415 | 415 | | 125 | 125 |
| Trade and other payables | | 807 | 807 | | 151 | 151 |
| Contingent consideration | 15,608 | | 15,608 | | | - |
| **Total financial liabilities** | **15,608** | **198,169** | **213,777** | - | **191,195** | **191,195** |

**Notes to the Financial Statements for the Year Ended 31 December 2021**

**26 Financial Instruments (continued)**

| | **Group** | **Group** | **Company** | **Company** |
|---|---|---|---|---|
| **31 December 2020** | Amortised cost | Total | Amortised cost | Total |
| **Financial assets** | **£ 000** | **£ 000** | **£ 000** | **£ 000** |
| Other long-term financial assets | | - | 117,946 | 117,946 |
| Trade and other receivables * | 21,281 | 21,281 | | - |
| Cash and cash equivalents | 3,804 | 3,804 | 723 | 723 |
| **Total financial assets** | **25,085** | **25,085** | **118,669** | **118,669** |

*these amounts only represent trade receivables that are financial assets

| | **Group** | **Group** | **Group** | **Company** | **Company** | **Company** |
|---|---|---|---|---|---|---|
| **31 December 2020** | Other liabilities at FVTPL | Other liabilities (amortised cost) | Total | Other liabilities at FVTPL | Other liabilities (amortised cost) | Total |
| **Financial liabilities** | **£ 000** | **£ 000** | **£ 000** | **£ 000** | **£ 000** | **£ 000** |
| Non-current borrowings | | 216,602 | 216,602 | | 210,283 | 210,283 |
| Current borrowings | | 345 | 345 | | 86 | 86 |
| Trade and other payables | | 767 | 767 | | 98 | 98 |
| Contingent consideration | 15,698 | | 15,698 | | | - |
| **Total financial liabilities** | **15,698** | **217,714** | **233,412** | **466,824** | **210,467** | **210,467** |

**Notes to the Financial Statements for the Year Ended 31 December 2021**

## 27 Related party transactions

From 11 December 2009, the subsidiaries of the Group have been wholly owned by GLID Wind Farms TopCo Limited. The Company provided initial funding to each wind farm by way of an unsecured intercompany loan with all subsequent payments made by the Company on the subsidiaries behalf. The subsidiaries make periodic repayments against their loans together with interest payments at a rate of 9%.

| | Owing to GLID Wind Farms Topco Limited **At 31 December 2021 £ 000** | Interest incurred during the year **At 31 December 2021 £ 000** | Owing to GLID Wind Farms Topco Limited At 31 December 2020 £ 000 | Interest incurred during the year At 31 December 2020 £ 000 |
|---|---|---|---|---|
| Lynn Wind Farm Limited | **62,040** | **4,584** | 59,131 | 5,929 |
| Inner Dowsing Wind Farm Limited | **61,723** | **4,513** | 58,814 | 5,910 |

On 7 March 2016 three loan notes were issued to the current parent undertakings in the form of parent loans. The loans are not secured. The notes bear interest on their outstanding principal amount at a rate of 6.5% per annum. The notes and interest are due to be repaid in full on 30 September 2029. Total interest of £535,000 has accrued on these loan notes at 31 December 2021 (2020: £737,000).

| Owed by GLID Wind Farms Topco Limited | **At 31 December 2021 £ 000** | At 31 December 2020 £ 000 |
|---|---|---|
| UK Green Investment LID Limited | **114,313** | 125,980 |
| RI Income UK Holdings Limited | **64,490** | 71,071 |
| RI EU Holdings (UK) Limited | **9,353** | 10,308 |

No provision for expected credit loss by related parties was required (2020: £nil).

No Key Management Personnel (KMP) compensation was paid during the year. No Director has entered into a material contract with the consolidated entity since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year end.

## 28 Parent and ultimate parent undertaking

On 7 March 2016, each of GLID's and Boreas Holdings S.à.r.l. agreed to sell their respective 50% shareholding in GLID Wind Farms TopCo Limited, to UK Green Investment LID Limited (60.8% holding), RI Income UK Holdings Limited (34.3% holding) and RI EU Holdings (UK) Limited (4.9% holding). There is joint control at board level and no ultimate controlling party.