

Registered number: 07966721

GVO WIND NO. 2 LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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COMPANIES HOUSE

GVO WIND NO. 2 LIMITED

COMPANY INFORMATION

DIRECTORS

H. P. S. Bond
K. Naharudin
S. A. Abdullah

REGISTERED NUMBER

07966721

REGISTERED OFFICE

1st Floor, Sackville House
143-149 Fenchurch Street
London
England
EC3M 6BL

INDEPENDENT AUDITORS

Wilder Coe Ltd
Chartered Accountants & Statutory Auditors
1st Floor Sackville House
143-149 Fenchurch Street
London
EC3M 6BL

GVO WIND NO. 2 LIMITED

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REGISTERED NUMBER: 07966721

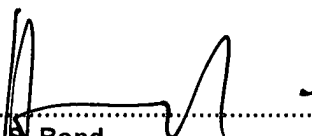
BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	4	1,877,331	2,003,892
CURRENT ASSETS			
Debtors: amounts falling due within one year	5	152,681	139,884
Cash at bank and in hand		72,628	63,337
		<u>225,309</u>	<u>203,221</u>
Creditors: amounts falling due within one year	6	(1,008,555)	(1,305,563)
NET CURRENT LIABILITIES		(783,246)	(1,102,342)
PROVISIONS FOR LIABILITIES			
Deferred tax	7	(134,186)	(163,984)
		<u>(134,186)</u>	<u>(163,984)</u>
NET ASSETS		<u><u>959,899</u></u>	<u><u>737,566</u></u>
CAPITAL AND RESERVES			
Called up share capital	8	100,000	100,000
Profit and loss account		859,899	637,566
EQUITY SHAREHOLDERS' FUNDS		<u><u>959,899</u></u>	<u><u>737,566</u></u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The company has opted not to file the Directors' Report and Profit and Loss Account in accordance with the provisions applicable to companies subject to the small companies regime, under section 444 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 September 2018



H. P. Bond
 Director

The notes on pages 2 to 8 form part of these financial statements.

GVO WIND NO. 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. GENERAL INFORMATION

GVO Wind No. 2 Ltd (Company number 07966721), having its registered office at 1st Floor, Sackville House, 143-149 Fenchurch Street, London, England, EC3M 6BL, is a private limited company incorporated in England and Wales.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, Section 1A, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Cash flow

The Company has taken advantage of the exemption in Financial Reporting Standard 102, Section 1A.7, from the requirement to produce a Statement of Cash Flows on the grounds that it is a small company.

2.3 Turnover

Turnover relates to the operation of a wind farm and is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

GVO WIND NO. 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful life is as follows:

Wind turbine development - Straight line over 20 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

2.8 Creditors

Short term creditors are measured at the transaction price.

GVO WIND NO. 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is British Pound Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings.

2.10 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.12 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

GVO WIND NO. 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES (CONTINUED)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the United Kingdom where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 3 (2016 - 3).

GVO WIND NO. 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. TANGIBLE FIXED ASSETS

	Wind turbine development £
COST	
At 1 January 2017 and 31 December 2017	2,531,229
Additions	(58,845)
DEPRECIATION	
At 1 January 2017	527,337
Charge for the year	67,716
At 31 December 2017	<u>595,053</u>
NET BOOK VALUE	
At 31 December 2017	<u><u>1,877,331</u></u>
At 31 December 2016	<u><u>2,003,892</u></u>

5. DEBTORS

	2017 £	As restated 2016 £
Due within one year		
Trade debtors	9,590	-
Other debtors	3,883	23,882
Prepayments and accrued income	139,208	116,002
	<u><u>152,681</u></u>	<u><u>139,884</u></u>

GVO WIND NO. 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. CREDITORS: Amounts falling due within one year

	2017 £	As restated 2016 £
Trade creditors	7,819	5,937
Amounts owed to group undertakings	913,714	1,257,172
Corporation tax	35,074	8,666
Other taxation and social security	3,098	-
Accruals and deferred income	48,850	33,788
	<u>1,008,555</u>	<u>1,305,563</u>

7. DEFERRED TAXATION

	2017 £	2016 £
At beginning of year	(163,984)	(136,596)
Charged to profit or loss	29,798	(27,388)
AT END OF YEAR	<u>(134,186)</u>	<u>(163,984)</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	<u>(134,186)</u>	<u>(163,984)</u>

8. SHARE CAPITAL

	2017 £	2016 £
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

9. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

The Company is party to a composite cross guarantee between a number of its fellow subsidiaries for bank borrowings. The total contingent liability in respect of the guarantee at the Balance Sheet date £61,829,716 (2016: £65,461,771).

GVO WIND NO. 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

10. PROVISIONS

As at 31 December 2017 and 31 December 2016, the Company had identified a future liability in relation to the decommissioning of the wind turbine and reinstatement of land.

As at 31 December 2017, an accurate estimate of this future liability was unattainable and as such, no provision has been recognised within the accounts. This liability is not expected to crystallise until 31 December 2036.

11. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	As restated 2016 £
Less than 1 year	10,500	10,500
Between 1 - 5 years	42,000	42,000
Later than 5 years	173,250	183,750
	<u>225,750</u>	<u>236,250</u>

12. RELATED PARTY TRANSACTIONS

The Company has taken advantage of Section 33.1A of FRS102 in not disclosing transactions between wholly-owned members of a group.

13. CONSOLIDATED PARENT UNDERTAKING

The immediate parent undertaking is GVO Wind F-1 Limited.

The largest group for which consolidated financial statements are prepared is GVO Wind Limited, a private limited company incorporated in England and Wales.

The registered office of the immediate and consolidated parent undertakings is 1st Floor Sackville House, 143-149 Fenchurch Street, London, EC3M 6BL.

14. POST BALANCE SHEET EVENTS

As at 28 February 2018, Tenaga Nasional Berhad, a listed company incorporated in Malaysia, became the ultimate parent undertaking of the company.

15. AUDIT REPORT

The company was subject to an audit for the year ended 31 December 2017. The audit report issued by Robert Bradman BA CA, as senior statutory auditor of Wilder Coe Ltd, was issued with an unqualified opinion.