Registration number: 08323021

# Heck Fen Wind Park Limited

Directors' Report and Financial Statements

for the Year Ended 30 April 2014

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# Directors' Report

The directors present their directors' report and financial statements for the year ended 30 April 2014.

**Directors of the company**
The directors who held office during the year were as follows:

Dale Vince

Paul Wheatcroft

**Principal activity**
The principal activity of the company is the production and supply of wind powered electricity.

**Dividends**
The directors do not recommend the payment of a dividend *(2013 : £Nil)*.

**Business review**
The performance of the Company is considered to be satisfactory.

**Political donations**
The Company made no political donations or incurred any political expenditure during the year *(2013 : £Nil)*.

**Charitable donations**
The Company made no charitable donations during the year *(2013 : £Nil)*.

**Disclosure of information to the auditor**
Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which the auditor is unaware.

## Directors' Report (continued)

**Reappointment of auditor**

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

Approved by the Board on 27th JAN 2015 and signed on its behalf by:

Philip N. Catherall

Philip Catherall
Company secretary

Beaumont House
172 Southgate Street
Gloucester
Gloucestershire
GL1 2EZ

27th JANUARY 2015

## Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Independent Auditor's Report to the members of Heck Fen Wind Park Limited

We have audited the financial statements of Heck Fen Wind Park Limited for the year ended 30 April 2014, set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web site at www.frc.org.uk/auditscopeukprivate

**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2014 and of its result for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

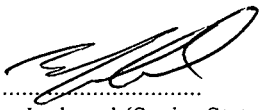
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Independent Auditor's Report to the members of Heck Fen Wind Park Limited (continued)

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



James Ledward (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
100 Temple Street
Bristol
BS1 6AG

Date: 30 January 2015

## Profit and Loss Account
*for the Year Ended 30 April 2014*

There has been no movement in the profit and loss account for the current or previous years.

The company has no recognised gains or losses for either year .

## Balance Sheet
*as at 30 April 2014*

| | Note | 30 April 2014 £ | 30 April 2013 £ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 6 | 914,869 | 768,868 |
| **Current assets** | | | |
| Debtors | 7 | 34,157 | 31,000 |
| Creditors: Amounts falling due within one year | 8 | (918,026) | (768,868) |
| Net current liabilities | | (883,869) | (737,868) |
| Net assets | | 31,000 | 31,000 |
| **Capital and reserves** | | | |
| Called up share capital | 9 | 1,332 | 1,332 |
| Share premium reserve | 10 | 29,668 | 29,668 |
| Profit and loss account | 10 | - | - |
| Shareholder funds | 10 | 31,000 | 31,000 |

These financial statements were approved by the Board on 27 JAN 2015 and were signed by:

P. Wheatcroft

Paul Wheatcroft
Director

Registration number: 08323021

## Notes to the Financial Statements

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

**Basis of preparation**
The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules, modified to include the revaluation of plant and machinery.

Under FRS1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of the Group headed by Ecotricity Group Limited, the Company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with wholly owned entities which form part of the Group (or investees of the Group qualifying as related parties). The consolidated financial statements of Ecotricity Group Limited, within which this Company is included, can be obtained from the address given in note 11.

**Going concern**
Notwithstanding net current liabilities of £883,869, the directors have prepared the financial statements on a going concern basis which is considered appropriate for the following reasons. The majority of current liabilities are owed to fellow Group companies and Group management have no intention of calling these debts in. The directors have reviewed the cash flow forecasts for the Group. In particular the directors note that the Group's trading and cash flow performance since the balance sheet date is in line with these forecasts. Taking account of reasonably possible changes in trading performance, the directors are satisfied that the Group will generate sufficient cash flows to allow the Group to meet its liabilities as they fall due for payment for at least the next 12 months.

**Depreciation**
The Company follows a policy of revaluation for its power generating units. On an annual basis management assess whether there are material changes in value since the last valuation.

Depreciation is provided to write off the revalued amount less the residual of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

| Asset class | Depreciation method and rate |
|---|---|
| Plant and machinery | 24 years, with estimated residual value being 25% of the revalued amount |

## Notes to the Financial Statements

### 1 Accounting policies (continued)

**Development wind assets**

Included in tangible assets are development wind assets which represent the costs incurred in bringing individual wind park projects to the consented stage. Costs associated with reaching the consent stage include options over land rights, planning application costs and environmental impact studies. Expenditure on research into identifying suitable sites and other initial costs incurred before site selection are expensed.

Development expenditure is capitalised only after obtaining an option over land and where there is a clearly defined project, the expenditure is separately identifiable, the outcome of the project can be assessed with reasonable certainty, aggregate costs are expected to be exceeded by related future sales and adequate resources exist to enable the project to be completed.

Development wind assets are not depreciated until the asset is substantially complete and ready for its intended use. At the time the project is confirmed, the carrying value of the project is transferred to property, plant and equipment as assets under construction. Depreciation is over the expected useful life of the related operational asset. The asset is derecognised on disposal, or when no future economic benefits are expected from their use.

**Deferred tax**

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

### 2 Turnover

There was no turnover in the year.

### 3 Operating profit

There were no operating costs in the year.

Amounts receivable by the Company's auditor in respect of the audit of the financial statements of £957 ( 2013: £936) are paid on the Company's behalf by the Ecotricity Group Limited.

Amounts receivable by the Company's auditor and their associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed for the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Ecotricity Group Limited.

## Notes to the Financial Statements

### 4 Particulars of employees

The company had no employees or staff costs in the year.

### 5 Directors' remuneration

The directors' remuneration was borne by a fellow Group company in the year.

### 6 Tangible fixed assets

| | Assets under construction £ |
|---|---|
| **Cost** | |
| As at 1 May 2013 | 768,868 |
| Additions | 146,001 |
| At 30 April 2014 | 914,869 |
| **Depreciation** | |
| As at 1 May 2013 | - |
| At 30 April 2014 | - |
| **Net book value** | |
| At 30 April 2014 | 914,869 |
| As at 1 May 2013 | 768,868 |

### 7 Debtors

| | 30 April 2014 £ | 30 April 2013 £ |
|---|---|---|
| Amounts owed by group undertakings | 4,157 | 1,000 |
| Other debtors | 30,000 | 30,000 |
| | 34,157 | 31,000 |

## Notes to the Financial Statements

### 8 Creditors: Amounts falling due within one year

| | 30 April 2014 | 30 April 2013 |
|---|---|---|
| | £ | £ |
| Amounts owed to group undertakings | 918,026 | 768,868 |

### 9 Called up share capital

**Authorised share capital**

| | 30 April 2014 | | 30 April 2013 | |
|---|---|---|---|---|
| | No. | £ | No. | £ |
| Ordinary shares of £1 each | 1,000 | 1,000 | 1,000 | 1,000 |
| A Ordinary shares of £1 each | 332 | 332 | 332 | 332 |
| | 1,332 | 1,332 | 1,332 | 1,332 |

**Allotted and called up shares**

| | 30 April 2014 | | 30 April 2013 | |
|---|---|---|---|---|
| | No. | £ | No. | £ |
| Ordinary shares of £1 each | 1,000 | 1,000 | 1,000 | 1,000 |
| A Ordinary shares of £1 each | 332 | 332 | 332 | 332 |
| | 1,332 | 1,332 | 1,332 | 1,332 |

**Unpaid shares**

| | 30 April 2014 | | 30 April 2013 | |
|---|---|---|---|---|
| | No. | £ | No. | £ |
| Ordinary shares of £1 each | 1,000 | 1,000 | 1,000 | 1,000 |
| A Ordinary share of £1 each | 332 | 30,000 | 332 | 30,000 |
| | **1,332** | **31,000** | **1,332** | **31,000** |

In accordance with the Company's Articles of Association and pursuant to a Subscription Agreement and a Growth Share Plan both dated 24 December 2012, by resolution dated 24 December 2012, the Company allotted 332 A Shares of £1 each (A Shares) in the Company to director Dale Vince at a subscription price of £90.36 per A Share or £30,000 in aggregate. The terms of the Subscription Agreement and the Growth Share Plan provide that Mr Vince will participate in the proceeds of a realisation Event (which includes the sale or listing of the Company) where a hurdle of £10m has been met. In the event of a Realisation Event should that hurdle not be met, Mr Vince's shares will convert into (effectively worthless) Deferred Shares.

## Notes to the Financial Statements

### 10 Reconciliation of movements in shareholder's funds

| | Share capital | Profit and loss account | Total |
|---|---|---|---|
| | £ | | £ |
| At beginning of year | 31,000 | - | 31,000 |
| **At end of year** | **31,000** | **-** | **31,000** |

### 11 Immediate and ultimate parent undertakings

The Company's ultimate parent undertaking is Ecotricity Group Limited, a Company incorporated in England and Wales.

The immediate parent undertaking is Next Generation Wind Holdings Limited, a Company incorporated in England and Wales.

The largest Group in which the results of the Company are consolidated is that headed by Ecotricity Group Limited. No other Group financial statements include the results of the Company. Consolidated financial statements of this Group may be obtained from Unicorn House, 7 Russell Street, Stroud, Gloucestershire, GL5 3AX.