Registration number: 08323021

# Heck Fen Wind Park Limited

Directors' Report and Financial Statements

for the Year Ended 30 April 2018

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# Heck Fen Wind Park Limited

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# Heck Fen Wind Park Limited

## Company Information

| | |
|---|---|
| **Directors** | Dale Vince<br>Asif Rehmanwala |
| **Company secretary** | Tom Cowling |
| **Registered office** | Lion House<br>Rowcroft<br>Stroud<br>Gloucestershire<br>GL5 3BY |
| **Auditor** | GrantThornton UK LLP<br>Chartered Accountants<br>2 Glass Wharf<br>Bristol<br>BS2 0EL |

# Heck Fen Wind Park Limited

## Directors' Report for the Year Ended 30 April 2018

The Directors present their report and the financial statements for the year ended 30 April 2018.

**Principal activity**
The principal activity of the Company is the construction of Heck Fen Wind Park and, once construction is complete, to produce and supply wind powered electricity.

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

Dale Vince

Asif Rehmanwala

Garry Peagam (resigned 6 July 2017)

**Dividends**
No dividends were paid or declared in either the current or previous year.

**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 they know the auditor is unaware.

**Reappointment of auditor**
Pursuant of Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Grant Thornton UK LLP will therefore continue in office.

**Small companies provision statement**
The Company has taken advantage of the small companies exemption provided in section 415A of the Companies Act 2006 in preparing the Directors' Report and the small companies exemption in section 414B in preparing the Strategic Report.

Approved by the Board on 17 December 2018 and signed on its behalf by:

.....
Asif Rehmanwala
Director

Lion House, Rowcroft, Stroud, Gloucestershire, GL5 3BY.

## Heck Fen Wind Park Limited

### Statement of Directors' Responsibilities

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 Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

### Opinion

We have audited the financial statements of Heck Fen Wind Park Limited (the 'company') for the year ended 30 April 2018 which comprise the Profit and loss account, the Statement of other comprehensive income, the Balance sheet, the Statement of changes in equity 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:
- give a true and fair view of the state of the company's affairs as at 30 April 2018;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities 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 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.

### Who we are reporting to

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.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### 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.

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

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
• the directors' report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, 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.

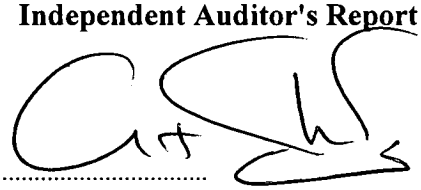
**Responsibilities of directors for the financial statements**
As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such 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 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 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.

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



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**Tim Lincoln BA ACA (Senior Statutory Auditor)**
**for and on behalf of GrantThornton UK LLP, Statutory Auditor**
*Chartered Accountants*

Bristol

Date: 18 December 2018

## Heck Fen Wind Park Limited

## Profit and Loss Account and Statement of Other Comprehensive Income for the Year Ended 30 April 2018

The company has not recognised any income, expenditure, gains or losses for either year as the wind park is still under construction and has not commenced trading.

## Heck Fen Wind Park Limited

## (Registration number: 08323021)
## Balance Sheet as at 30 April 2018

| | Note | 2018 £ | (As restated) 2017 £ |
|---|---|---|---|
| **Fixed assets** | | | |
| Intangible assets | 6 | 2,427,009 | 2,376,696 |
| **Current assets** | | | |
| Debtors | 7 | 156,045 | 156,045 |
| **Creditors**: Amounts falling due within one year | 8 | (2,552,054) | (2,501,741) |
| **Net current liabilities** | | (2,396,009) | (2,345,696) |
| **Net assets** | | 31,000 | 31,000 |
| **Capital and reserves** | | | |
| Called up share capital | 9 | 1,332 | 1,332 |
| Share premium reserve | | 29,668 | 29,668 |
| **Total equity** | | 31,000 | 31,000 |

Approved and authorised by the Board on 17 December 2018 and signed on its behalf by:

.....

Asif Rehmanwala

Director

Lion House, Rowcroft, Stroud, Gloucestershire, GL5 3BY.

## Heck Fen Wind Park Limited

## Statement of Changes in Equity for the Year Ended 30 April 2018

| | Share capital £ | Share premium £ | Total £ |
|---|---|---|---|
| At 1 May 2017 | 1,332 | 29,668 | 31,000 |
| Profit/(loss) for the year | - | - | - |
| At 30 April 2018 | 1,332 | 29,668 | 31,000 |

| | Share capital £ | Share premium £ | Total £ |
|---|---|---|---|
| At 1 May 2016 | 1,332 | 29,668 | 31,000 |
| Profit/(loss) for the year | - | - | - |
| At 30 April 2017 | 1,332 | 29,668 | 31,000 |

## 1 General information

The company is a private company limited by share capital incorporated in the UK. The presentation currency of these financial statements is sterling.

## 2 Accounting policies

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

**Statement of compliance**
These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102").

**Basis of preparation**
These financial statements have been prepared using the historical cost convention except for power generating assets which are measured in accordance with the revaluation model.

**Name of parent of group**
These financial statements are consolidated in the financial statements of the company's ultimate parent undertaking, Ecotricity Group Limited.

The financial statements of Ecotricity Group Limited may be obtained from Lion House, Rowcroft, Stroud, Gloucestershire, GL5 3BY

In these financial statements, the company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:
- Reconciliation of the number of shares outstanding from the beginning to the end of the period;
- Financial instrument disclosures including categories of financial instruments and exposure of financial risks;
- Cash flow statement and related notes; and
- Key management personnel compensation..

***Going concern***
Notwithstanding net current liabilities of £2,396,009, 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.

**2 Accounting policies (continued)**

**Tangible assets**
Tangible assets are stated at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

At the end of each financial period, the Company assesses whether tangible fixed assets are impaired.

*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 | 24 years straight-line with estimated residual value being 25% of the revalued amount |

**Impairment of non-financial assets**
The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss, except to the extent that they reverse any previously recognised valuation increase accumulated in equity in respect of that asset; any excess is recognised in profit and loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

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

**Trade debtors**
Trade debtors include amounts due from customers for electricity sold and renewables credits earned in the ordinary course of business.

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

**2 Accounting policies (continued)**

**Trade creditors**

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

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

**Provisions**

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

**Share capital**

Ordinary shares are classified as equity as they include no contractual obligations upon the Company. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

**3 Staff costs**

The Company had no employees or staff costs in either year.

**4 Directors' remuneration**

Directors' remuneration is in respect of qualifying services to other entities in the Group and was borne by the ultimate parent company, Ecotricity Group Limited, in both years.

**5 Auditors' remuneration**

Auditor's remuneration in respect of this Company was borne by the ultimate parent comapny, Ecotricity Group Limited, in both years.

Amount 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.

## 6 Intangible assets

| | Other intangible assets £ | Total £ |
|---|---|---|
| **Cost or valuation** | | |
| At 1 May 2017 | 2,376,696 | 2,376,696 |
| Additions acquired separately | 50,313 | 50,313 |
| At 30 April 2018 | 2,427,009 | 2,427,009 |
| **Amortisation** | | |
| **Carrying amount** | | |
| At 30 April 2018 | 2,427,009 | 2,427,009 |
| At 30 April 2017 | 2,376,696 | 2,376,696 |

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2017 - £Nil).

## 7 Debtors

| | 2018 £ | 2017 £ |
|---|---|---|
| **Due within one year** | | |
| Amounts owed by related parties | 156,045 | 156,045 |
| | 156,045 | 156,045 |

## 8 Creditors

| | 2018 £ | 2017 £ |
|---|---|---|
| **Due within one year** | | |
| Amounts due to related parties | 2,552,054 | 2,501,741 |

## 9 Capital and reserves

*Share capital*

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

| | 2018 | | 2017 | |
|---|---|---|---|---|
| | 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 |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

*Share premium*
The excess value that the Company has received for the share capital above its nominal value is recognised in the share premium account.

## 10 Related party transactions

The Company had balances outstanding with other group companies at 30 April 2018. The Company owed £2,552,054 (2017: £2,501,741) to Ecotricity Generation Limited and was owed £156,045 (2017: £156,045) by Ecotricity Group Limited.

## 11 Accounting estimates and judgements

In the application of the Company's accounting policies, which are described in Note 2, the Directors are required to make judgements, estimates and assumptions about carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

*Key sources of estimation uncertainty*

• Impairment to tangible fixed assets
On an annual basis the Directors assesses whether the Company's tangible fixed assets are impaired. When assessing for impairment the Directors take into account the viability of the project, the stage of construction and the likelihood that the construction will continue.

## 12 Ultimate parent undertaking and controlling party

The Company's ultimate parent undertaking is Ecotricity Group Limited, a Company incorporated in England and Wales. The ultimate controlling party of the Company is D Vince, the only shareholder of Ecotricity Group Limited.

The immediate parent undertaking is Ecotricity Generation 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 financial statements include the results of the Company. Consolidated financial statements may be obtained from Lion House, Rowcroft, Stroud, Gloucestershire, GL5 3BY.

## 13 Prior year restatement

The comparative year has been restated following a change to reclassify assets under construction into intangibles as company policy is to classify development projects that have not yet cleared planning consent as intangible assets. This has had a net £nil effect on the overall net assets position of the Company in either year.

| | As previously reported<br>£ | Adjustments<br>£ | As restated<br>£ |
|---|---|---|---|
| Intangible assets | - | 2,376,696 | 2,376,696 |
| Tangible assets | 2,376,696 | (2,376,696) | - |
| | 2,376,696 | - | 2,376,696 |