Company Registration Number: 10211708

RASSAU GRID SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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Accountants, Business & Financial Advisers

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RASSAU GRID SERVICES LIMITED

COMPANY INFORMATION

Directors	Keith Stephen Gains Liv Elisabeth Harder Miller
Company secretary	Simon Jeremy
Registered number	10211708
Registered office	3rd Floor 24 Savile Row London United Kingdom W1S 2ES
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditors 7th Floor 81 Fountain Street Manchester M2 2EE

RASSAU GRID SERVICES LIMITED

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STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

Introduction

Quinbrook has assembled the UK's largest portfolio of synchronous condenser assets contracted under NESO's Stability Pathfinder programmes. This includes the operational Rassau project in Ebbw Vale, Wales.

Rassau secured a Stability Pathfinder revenue contract in Phase I ("PF I") of the tender process, which concluded in January 2020.

Rassau was delivered under an EPC contract and reached operations in the first quarter of 2022.

The asset is part of the Renewable and Grid Services Ltd group.

The ultimate parent company of the Group is Quinbrook Holdings Limited.

Business review

The Company has been operating and generating revenue since 2022 under its pathfinder 1 contract for NESO. Under this contract the asset generates revenue through availability services where the asset is paid an hourly rate for being online and available to provide services alongside reactive power services where the asset is called on to perform grid stabilising work.

In the year the operations of the Company have generated revenues of £11.62 million (2024 £10.84 million) and gross profit of £9.64m (2024 £8.89 million).

After administrative expenses and other income the Company made an operating profit for the year of £7.54 million (2024 £6.74 million).

After interest payable and interest receivable the Company made a profit before tax for the year of £4.57 million (2024 £3.28 million).

The Company's cashflow requirements are fully covered by its revenue generation.

Principal risks and uncertainties

The Company's activities expose it to various risks including:

- Market risk
- Regulatory risk
- Contract risk
- Credit risk
- Liquidity risk
- Foreign exchange rate risk.

The Company's overall risk management is focused at present on:

- Obtaining long-term contracts for output capacity to mitigate market risk
- Utilising expert consultants to assist in managing subcontract risk
- Utilising expert consultants to advise in maintaining compliance with regulatory requirements
- Minimising foreign exchange exposure by ensuring forward contracts are in place for material foreign capital expenditure where possible to allow the Company to be able to hedge and therefore reduce its exposure accordingly.

Market & Regulatory Risk

The Company has a contract with National Grid under the pathfinder contract scheme ensuring revenue streams that mitigate market risk during the life of the contract

Contract Risk

The Company utilises expert consultancy to provide management services for operation. Through these arrangements the Company manages supply chain contracting risk including ensuring that controls are in place to manage risks associated with supplier selection, contracting negotiation and contract administration.

Credit Risk

Credit risk is actively managed within the Company with ongoing evaluation of suppliers and customers ensuring terms and contracts are negotiated, documented and finalised in line with best practice within the industry.

Liquidity Risk

Once assets reach the operational phase they generate sufficient cash inflows to maintain self-sufficiency, this has been evidenced since 2022 when the Company entered commercial operations.
The Company regularly reviews cash flow forecasts to ensure liquidity risk is managed and mitigated.

Financial key performance indicators

The company considers the following to be the key financial key performance indicators:

	2025 £	2024 £
Revenues	**11,617,008**	10,843,765
Gross profit	**9,639,745**	8,885,989
EBITDA	**8,999,686**	8,102,032

Future Outlook

In May of 2024, the Manager closed a portfolio financing facility for the five synchronous condensers (Rassau + Thistle) within the group.

The next avenue for Rassau is to secure a contract for inertia services following the initial Pathfinder I contract, this is being progressed in 2026/27 through the Y-1 Round Three contract process where NESO is procuring 15 GVA.s of inertia nationally over a total period between October 2027 to September 2029, with participants required to submit pricing for both availability and utilisation.

The management team are also continuing to engage directly with NESO and other pathways to secure future reactive power contracts.

This report was approved by the board and signed on its behalf.

Keith Gains (Sep 30, 2026 09:13:18 GMT+1)

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Keith Stephen Gains
Director

Date: 30th September 2026

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The directors present their report and the financial statements for the year ended 31 December 2025.

Results and dividends

The profit for the year, after taxation, amounted to £4,498,056 (2024 - £2,433,516).

Directors

The directors who served during the year were:

Keith Stephen Gains
Rory John Quinlan (resigned 15 January 2025)
Liv Elisabeth Harder Miller (appointed 15 January 2025)

Disclosure of information to auditors

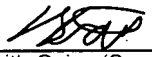
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



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Keith Stephen Gains
Director

Date: 30th September 2026

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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 AUDITORS' REPORT TO THE MEMBERS OF RASSAU GRID SERVICES LIMITED

Opinion

We have audited the financial statements of Rassau Grid Services Limited (the 'Company') for the year ended 31 December 2025, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, 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 31 December 2025 and of its profit for the year then ended;
- 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

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.

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 Company'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.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RASSAU GRID SERVICES LIMITED (CONTINUED)

Opinion 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.

Matters on which we are required to report by exception

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 Strategic Report or the Directors' Report.

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

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RASSAU GRID SERVICES LIMITED (CONTINUED)

Auditors' 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 Auditors' 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.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and knowledge of the Company to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with directors and other management and review of appropriate industry knowledge. Key laws and regulations we identified during the audit were the UK Companies Act 2006 and UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above by making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships;
- tested journal entries recorded on the Company's finance system to identify unusual transactions that may indicate override of controls;
- reviewed key judgements and estimates for any evidence of management bias; and
- reviewed the application of accounting policies with focus on those with heightened estimation uncertainty.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management to identify actual and potential litigation and claims.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RASSAU GRID SERVICES LIMITED (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

Use of our report

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 Auditors' 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.



Huw Nicholls (Senior Statutory Auditor)

Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
Manchester
Date: 30 September 2026

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £	2024 £
Turnover	3	**11,617,008**	10,843,765
Cost of sales		**(1,977,263)**	(1,957,776)
Gross profit		**9,639,745**	8,885,989
Administrative expenses		**(2,097,175)**	(2,142,895)
Operating profit	4	**7,542,570**	6,743,094
Interest receivable and similar income	7	**65,045**	23,237
Interest payable and similar expenses	8	**(3,040,592)**	(3,482,501)
Profit before tax		**4,567,023**	3,283,830
Tax on profit	9	**(68,967)**	(850,314)
Profit for the financial year		**4,498,056**	2,433,516

There were no recognised gains and losses for 2025 or 2024 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2025 (2024: £NIL).

The notes on pages 14 to 24 form part of these financial statements.

RASSAU GRID SERVICES LIMITED
REGISTERED NUMBER: 10211708

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note		2025 £		2024 £
Fixed assets					
Tangible assets	10		**29,538,572**		30,895,688
			29,538,572		30,895,688
Current assets					
Debtors: amounts falling due within one year	11	**17,919,154**		18,997,005	
Cash at bank and in hand	12	**4,328,346**		5,370,782	
		22,247,500		24,367,787	
Creditors: amounts falling due within one year	13	**(41,915,253)**		(49,959,679)	
Net current liabilities			**(19,667,753)**		(25,591,892)
Total assets less current liabilities			**9,870,819**		5,303,796
Provisions for liabilities					
Deferred tax	14	**(919,281)**		(850,314)	
			(919,281)		(850,314)
Net assets			**8,951,538**		4,453,482
Capital and reserves					
Called up share capital	15		**276**		276
Profit and loss account			**8,951,262**		4,453,206
			8,951,538		4,453,482

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

Keith Gains (Sep 30, 2026 09:13:18 GMT+1)

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Keith Stephen Gains
Director

The notes on pages 14 to 24 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2025	**276**	**4,453,206**	**4,453,482**
Comprehensive income for the year			
Profit for the year	**-**	**4,498,056**	**4,498,056**
Other comprehensive income for the year	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**4,498,056**	**4,498,056**
Total transactions with owners	**-**	**-**	**-**
At 31 December 2025	**276**	**8,951,262**	**8,951,538**

The notes on pages 14 to 24 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2024	**276**	**2,019,690**	**2,019,966**
Comprehensive income for the year			
Profit for the year	**-**	**2,433,516**	**2,433,516**
Other comprehensive income for the year	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**2,433,516**	**2,433,516**
Total transactions with owners	**-**	**-**	**-**
At 31 December 2024	**276**	**4,453,206**	**4,453,482**

The notes on pages 14 to 24 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. General information

Rassau Grid Services Limited is a private company limited by shares incorporated and registered in England and Wales. The Company's registered office address is 3rd Floor 24 Savile Row, London, England, W1S 2ES.

These financial statements have been presented in Pound Sterling (£) as this is the currency of the primary economic environment in which the Company operates, and all figures have been rounded to the nearest Pound.

The primary activity of the entity is grid stability and reactive power provisions (In operation).

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, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Renewable and Grid Services Limited as at 31 December 2025 and these financial statements may be obtained from 3rd Floor 24 Savile Row, London, W1S 2ES.

2.3 Going concern

The Company is dependent on the ongoing support and funding from the Renewable and Grid Services Group, and its ultimate parent company, Quinbrook Holdings Limited. The Directors have received a letter of support from the Group's primary lender Quinbrook Renewables Impact Fund LP, which is managed by Quinbrook Infrastructure Partners (Jersey) Limited, stating that this support will continue for a period not less than 12 months from the date of the approval of these financial statements. As such the directors believe it to be appropriate to prepare these accounts on a going concern basis.

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'administration expenses'. All other foreign exchange gains and losses are presented in profit or loss within 'administration expenses'.

2.5 Revenue

Revenue comprises income earned from the provision of grid stability and network support services under contractual arrangements with the National Energy System Operator (NESO), National Grid Electricity Transmission plc and other network operators.

Revenue is recognised over time as the contracted services are provided and the Company's performance obligations are satisfied.

Availability payments are recognised on a straight-line basis over the contractual service period during which the asset is available for use in accordance with contractual requirements.

Performance-related payments are recognised when the relevant performance conditions have been achieved and entitlement to consideration has arisen.

Amounts invoiced in advance of service delivery are recognised as deferred income and released to the profit and loss account over the period to which the services relate.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Finance costs

Finance costs are charged to profit or loss 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 instruments.

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries 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 reporting 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 except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 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.

Depreciation is provided on the following basis:

Freehold land	- No depreciation
Plant and machinery	- 25 years straight line

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 profit or loss.

2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2. Accounting policies (continued)

2.11 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.14 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which include investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

2. Accounting policies (continued)

2.14 Financial instruments (continued)

Impairment of financial assets

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Basic financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other creditors, bank loans and other loans are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade creditors are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

2. Accounting policies (continued)

2.14 Financial instruments (continued)

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual rights to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

3. Turnover

An analysis of turnover by class of business is as follows:

	2025	2024
	£	£
Revenue - Generation	**899,161**	785,713
Revenue - Pathfinder	**9,059,676**	8,837,147
Revenue - Obligatory Reactive Power Service	**1,658,171**	1,220,905
	11,617,008	10,843,765

Analysis of turnover by country of destination:

	2025	2024
	£	£
United Kingdom	**11,617,008**	10,843,765

4. Operating profit

The operating profit is stated after charging:

	2025	2024
	£	£
Exchange differences	**747**	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

5. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors:

	2025 £	2024 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	**12,500**	-

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

6. Employees

The Company has no employees (2024 - NIL).

7. Interest receivable

	2025 £	2024 £
Other interest receivable	**65,045**	23,237

8. Interest payable and similar expenses

	2025 £	2024 £
Other interest payable	**3,040,592**	3,482,501

9. Taxation

	2025 £	2024 £
Total current tax	-	-
Deferred tax		
Deferred tax	**68,967**	850,314
Total deferred tax	**68,967**	850,314
Tax on profit	**68,967**	850,314

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2024 - higher than) the standard rate of corporation tax in the UK of 25% (2024 - 25%). The differences are explained below:

	2025 £	2024 £
Profit on ordinary activities before tax	**4,567,023**	3,283,830
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024 - 25%)	**1,141,756**	820,958
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**519**	557
Fixed asset differences	**10,548**	-
Adjustments to tax charge in respect of prior periods - deferred tax	**(6,908)**	520,166
Non-taxable income	**(1)**	-
Group relief surrendered/(claimed)	**(1,076,947)**	(491,367)
Total tax charge for the year	**68,967**	850,314

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

10. Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 January 2025	**939,012**	**33,968,901**	**34,907,913**
At 31 December 2025	**939,012**	**33,968,901**	**34,907,913**
Depreciation			
At 1 January 2025	**-**	**4,012,225**	**4,012,225**
Charge for the year on owned assets	**-**	**1,357,116**	**1,357,116**
At 31 December 2025	**-**	**5,369,341**	**5,369,341**
Net book value			
At 31 December 2025	**939,012**	**28,599,560**	**29,538,572**

11. Debtors

	2025 £	2024 £
Trade debtors	**-**	1,080,767
Amounts owed by group undertakings	**16,791,868**	16,777,738
Amounts owed by related parties	**375**	-
Other debtors	**63,919**	978
Prepayments and accrued income	**1,062,992**	1,137,522
	17,919,154	18,997,005

12. Cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	**4,328,346**	5,370,782

13. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	**34,897**	48,482
Amounts owed to group undertakings	**41,029,016**	37,567,666
Other taxation and social security	**354,591**	1,353,352
Accruals and deferred income	**496,749**	10,990,179
	41,915,253	49,959,679

Included within amounts owed to group undertakings is a loan balance of £27,725,883. The loan is repayable on demand and incurs interest at a rate of 9.25% per annum.

14. Deferred taxation

	2025 £
At beginning of year	**(850,314)**
Charged to profit or loss	**(68,967)**
At end of year	**(919,281)**

The provision for deferred taxation is made up as follows:

	2025 £	2024 £
Accelerated capital allowances	**(919,281)**	(850,314)
	(919,281)	(850,314)

15. Share capital

	2025 £	2024 £
Allotted, called up and fully paid		
276 Ordinary shares of £1.00 each	**276**	276

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

16. Related party transactions

As permitted under FRS102 s33, the Company has taken advantage of the exemption from disclosing transactions with members of the same group that are wholly owned.

During the period, the company was owed £375 (2024: £Nil) by Greys Hall Power Limited, a related party by virtue of common directorship.

17. Controlling party

The immediate parent undertaking is UK Grid Services Limited, a company registered in the United Kingdom.

The ultimate parent undertaking and controlling party is Quinbrook Holdings Limited, a company registered in Jersey.

The largest and smallest group in which the results of the Company are consolidated is that of Renewable and Grid Services Limited. The consolidated financial statements of Renewable and Grid Services Limited are available to the public at its registered address 3rd Floor 24 Savile Row, London, W1S 2ES.