

POLWHAT RIG WINDFARM LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

Registered number: SC149113



Polwhat Rig Windfarm Limited
Directors' report and financial statements

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Polwhat Rig Windfarm Limited
Directors' report and financial statements

Directors' report for the year ended 31 December 2012

The directors present their report and the audited financial statements of Polwhat Rig Windfarm Limited ("the Company") for the year ended 31 December 2012.

Principal activities

The principal activity of the Company is the holding of bank deposits associated with the construction of the wind farm at Polwhat Rig, Scotland.

Business review

The Company did not trade during the year. The expenses of the Company such as filing and audit fees have been and will continue to be met by Beaufort Wind Limited. The only income is bank interest.

The results for the year are dealt with on page 6 of the financial statements. The profit on ordinary activities after taxation for the year ended 31 December 2012 was £32 (2011: £36).

The position of the Company at the end of the year is provided on page 7 of the financial statements. The net assets as at 31 December 2012 were £18,290 (2011: £18,258).

Principal risk and uncertainties

The Company has no significant risks or uncertainties as it does not have any trading activities and has sufficient resources to meet its commitments as they fall due.

Future developments

The business will continue to hold bank deposits associated with the construction of the wind farm at Polwhat Rig, Scotland for the foreseeable future.

Going concern

The directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

Dividends

The directors have not recommended payment of a dividend (2011: £nil).

Financial risks

As the Company is non-trading and the only income it receives arises from bank deposits, it is not exposed to any financial risks.

Key performance indicators

The Company's directors are of the opinion that there are no meaningful financial or non financial key performance indicators that would be necessary or appropriate for an understanding of the development, performance or position of the Company's activities.

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Directors' report for the year ended 31 December 2012

Directors and their interests

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

P Coffey
M Nagle
K Bradbury
G Dellacha (appointed 7 December 2012)
J Cooper (resigned 6 December 2012)
J Lynch-Williams
M Walters
A Pena (Alternate)

Directors' responsibilities statement

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 United Kingdom 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 then apply them consistently;
- make judgements 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 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.

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

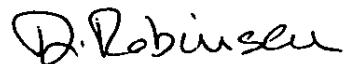
- (a) so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (b) that each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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Directors' report for the year ended 31 December 2012

By order of the Board



D Robinson
Company secretary

302 St. Vincent Street
Glasgow
G2 5RZ

25th March 2013

Registered number: SC149113

Independent auditors' report to the members of Polwhat Rig Windfarm Limited

We have audited the financial statements of Polwhat Rig Windfarm Limited ("the Company") for the year ended 31 December 2012 which comprise the Profit and loss account, the Balance sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2012 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.

Opinion on other matters 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 auditors' report to the members of Polwhat Rig Windfarm Limited

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.



Emma Lewis ACA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, UK

25 March 2013

Polwhat Rig Windfarm Limited
Directors' report and financial statements

Profit and loss account
For the year ended 31 December 2012

	Note	2012 £	2011 £
Interest receivable and similar income	5	32	36
Profit on ordinary activities before taxation		32	36
Tax on profit on ordinary activities	6	-	-
Profit for the financial year	9	32	36

The above results all arise from continuing operations.

The Company has no recognised gains or losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

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Balance sheet
As at 31 December 2012
(Registered number: SC149113)

	Note	2012 £	2011 £
Current assets			
Cash at bank and in hand		80,150	80,118
Creditors: amounts falling due within one year	7	(61,860)	(61,860)
Net current assets		18,290	18,258
Net assets		18,290	18,258
Capital and reserves			
Called up share capital	8	1,200	1,200
Profit and loss account	9	17,090	17,058
Total shareholders' funds	10	18,290	18,258

The financial statements on pages 6 to 10 were approved by the Board of directors and signed on its behalf by

Julia Lynch-Williams

Julia Lynch-Williams
Director
 25th March 2013

Notes to the financial statements for the year ended 31 December 2012

1. Accounting policies

Basis of preparation

These financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Accounting policies have been applied consistently throughout the current year and preceding year. The principal accounting policies are set out below.

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In that assessment, the directors have considered the ability of the Company to settle intercompany balances. Thus the directors continue to adopt the going concern basis of preparing the financial statements.

Interest receivable and similar income

Finance income is earned on cash deposits and is recognised as income in the period in which it is earned.

Interest payable and similar charges

Finance cost is recognised as an expense in the period in which it is incurred.

Cash flow statement

The Company is a wholly owned subsidiary of Zephyr Investments Limited and is included in the consolidated financial statements of Zephyr Investments Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard (FRS) 1 (revised 1996).

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Related party transactions

The Company is exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Zephyr Investments Limited and subsidiaries ("the Group").

2. Auditors remuneration

Audit fees of £1,000 (2011: £1,076) were borne by another Group company. Non-audit fees for the year were £nil (2011: £nil).

3. Directors' emoluments

The directors did not receive any emoluments in respect of their services to the Company (2011: £nil), and there are no recharges made to the Company in respect of the services provided by the Directors as their duties in respect of the Company are incidental to their duties as a whole.

Notes to the financial statements for the year ended 31 December 2012

4. Employee information

The Company had no employees for the year under review (2011: none).

5. Interest receivable and similar income

	2012	2011
	£	£
Bank interest receivable	32	36

6. Tax on profit on ordinary activities

	2012	2011
	£	£
Current tax:		
Group relief payable/(receivable)	-	-
Tax on profit on ordinary activities	-	-

The tax assessed for the year is lower (year ended 31 December 2011: lower) than the standard rate of corporation tax in the UK (24.5%) (2011: 26.5%). The differences are explained below:

	2012	2011
	£	£
Profit on ordinary activities before tax	32	36
Profit on ordinary activities multiplied by the standard rate in the UK – 24.5% (2011: 26.5%)	8	10
Receipts not deducted for tax purposes	(245)	-
Group relief claimed for nil payment	237	(10)
Current tax charge/(credit) for the year	-	-

From 1 April 2013, the main UK corporation tax rate will be 23%, subsequently reducing to 21% in 2014. The change in the main UK rate to 23% was substantively enacted as at the balance sheet date. The subsequent reduction is expected to be included within Finance Bill 2013 and therefore is not yet substantively enacted so should not be reflected in the financial statements.

7. Creditors: amounts falling due within one year

	2012	2011
	£	£
Amounts owed to Group undertakings	61,860	61,860

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand.

8. Called up share capital

	2012	2011
	£	£
Authorised, allotted and fully paid:		
1,200 ordinary shares of £1 each	1,200	1,200

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Notes to the financial statements for the year ended 31 December 2012

9. Profit and loss account

	2012	2011
	£	£
Opening balance	17,058	17,022
Profit for the financial year	32	36
Closing balance	17,090	17,058

10. Reconciliation of movements in shareholders' funds

	2012	2011
	£	£
Opening shareholders' funds	18,258	18,222
Profit for the financial year	32	36
Closing shareholders' funds	18,290	18,258

11. Financial commitments

On 29 December 2005 a charge over the Company's assets and shares was registered in favour of The Bank of Tokyo-Mitsubishi UFJ Ltd, with respect to a loan which was advanced to Beaufort Wind Limited, a fellow subsidiary of the Group, on 30 December 2005.

12. Ultimate parent company

The immediate parent company is Windy Standard Limited, a company incorporated in Great Britain.

The ultimate parent company is Zephyr Investments Limited, a company incorporated in Great Britain, which is the parent company of the smallest and largest group to consolidate these financial statements. Copies of the Zephyr Investments Limited consolidated financial statements can be obtained from Zephyr Investments Limited, Auckland House, Lydiard Fields, Great Western Way, Swindon, Wiltshire, SN5 8ZT.

As at 31 December 2012, 33.33% of Zephyr's share capital was owned by Zelda Acquisitions Limited, 16.67% by IIF Zelda DDB Short Term UK Holdco Limited, 16.66% by IIF Int'l Holding LP and 33.33% by RWE Innogy UK Limited and therefore at that date there was no single company with a controlling interest.