

Financial statements Calder Water Community Wind Co Ltd

For the year ended 30 November 2012

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COMPANIES HOUSE

Company No. SC412643

Officers and professional advisers

Company registration number	SC412643
Registered office	Lindsays Caledonian Exchange 19A Canning Street Edinburgh Scotland EH3 8HE
Directors	D A Wood R M H Wood
Secretary	R M H Wood
Solicitors	Lindsays Caledonian Exchange 19A Canning Street Edinburgh Scotland EH3 8HE
Auditors	Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX

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Report of the Directors

The directors present their report and the financial statements of the company for the year ended 30 November 2012.

Principal activity

The principal activity of the company during the year was that of the development and operation of community renewable energy projects. The company was incorporated on 5 December 2011.

Directors

The directors who served the company during the year were as follows:

R M H Wood
D A Wood

Going Concern

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

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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.

Report of the Directors (continued)

Auditor Statement

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to appoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

ON BEHALF OF THE BOARD



R M H Wood
Director

Date: 29 July 2013

Independent auditor's report to the members of Calder Water Community Wind Co Ltd

We have audited the financial statements of Calder Water Community Wind Co Ltd for the year ended 30 November 2012 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 13. 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 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 auditors

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. 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 Financial Statements to identify material inconsistencies with the audited financial statements. 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 30 November 2012 and of its loss 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 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 Calder Water Community Wind Co Ltd

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 prepare the directors' report in accordance with the small companies regime.

Ernst & Young LLP

Paul Mapleston (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol

Date: 29 July 2013

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

The company was incorporated on 5 December 2011. These accounts are for the company's first period ending 30 November 2012, and therefore has no comparative period.

Going Concern

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

Cash flow statement

The company is exempt from the requirements of Financial Reporting Standard (FRS) 1 Cash Flow Statements to prepare a cash flow statement as it is a wholly owned subsidiary.

The largest and smallest group in which this company is consolidated is Community Wind Power (Holdings) Limited and copies of its annual report are available from Lindsays, Caledonian Exchange, 19A Canning Street, Edinburgh EH3 8HE.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset from the moment it is in full operation, as follows:

Plant & Machinery - 5% straight line per annum

Short leasehold land is not depreciated.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against the profit and loss account on a straight line basis over the year of the lease.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date. The company has not adopted a policy of discounting deferred tax.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of

Principal accounting policies

exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities.

Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to reserves.

Profit and loss account

	Note	2012 £
Other operating charges		-
Operating result	1	-
Interest receivable		996
Interest payable and similar charges		(2,904)
Loss on ordinary activities before taxation		(1,908)
Tax on loss on ordinary activities	3	471
Loss for the financial year	8	(1,437)

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

Balance sheet

	Note	2012 £
Fixed assets		
Tangible assets	4	5,865,280
		<u>5,865,280</u>
Current assets		
Debtors	5	463,317
		<u>463,317</u>
Creditors: amounts falling due within one year	6	(6,330,033)
Net current liabilities		<u>(5,866,716)</u>
Total assets less current liabilities		<u>(1,436)</u>
Net liabilities		<u><u>(1,436)</u></u>
Capital and reserves		
Called-up equity share capital	7	1
Profit and loss account	8	(1,437)
Shareholders' funds	9	<u><u>(1,436)</u></u>

These financial statements were approved by the directors and authorised for issue on 29 July 2013, and are signed on their behalf by:



R M H Wood
Director

Company Registration Number: SC412643

Notes to the financial statements

1 Operating result

The company was incorporated on 5 December 2011 and therefore there are no comparative balances for a prior period. In 2012, audit and tax fees totalling £3,200 were paid by Community Wind Power (Holdings) Limited.

2 Directors and employees

During the year the company had nil employees.

Remuneration in respect of directors was as follows:

	2012 £
Remuneration	<u>161,656</u>

The remuneration of the Directors disclosed above relates to their services to this and other companies in the Community Wind Power (Holdings) Limited Group. Remuneration of the directors was paid by Community Windpower Limited during the year.

No director accrued benefits towards pension entitlements during the year.

3 Tax on loss on ordinary activities

3(a) Analysis of tax credit in the year:

	2012 £
Current tax:	
Amounts payable by group companies for group relief	(471)
Total current tax	<u>(471)</u>
Tax credit on loss on ordinary activities	<u>(471)</u>

Notes to the financial statements

3 Tax on loss on ordinary activities (continued)

3(b) Factors affecting current tax credit:

The tax assessed on the loss on ordinary activities for the year is equal to the standard rate of corporation tax in the UK of 24.67% as reconciled below

	2012 £
Loss on ordinary activities before taxation	<u>(1,908)</u>
Loss on ordinary activities by rate of tax	<u>(471)</u>
Total current tax credit (note 3(a))	<u>(471)</u>

3(c) Factors affecting future tax charge:

Announcements were made during the period by the Chancellor of the Exchequer of proposed changes to corporation tax rates which will have an effect on the future tax charge of the company. Reductions in the corporation tax rate to 24% from 1 April 2012 and to 23% from 1 April 2013 were substantively enacted during the period.

Subsequent reductions to 21% from 1 April 2014 and to 20% from 1 April 2015 have been announced but not substantively enacted.

4 Tangible fixed assets

	Assets under construction £
Cost	
At 5 December 2011	-
Additions during the year	5,865,280
At 30 November 2012	<u>5,865,280</u>
Depreciation	
At 5 December 2011 and 30 November 2012	<u>-</u>
Net book value	
At 30 November 2012	<u>5,865,280</u>
At 5 December 2011	<u>-</u>

Notes to the financial statements

5 Debtors

	2012
	£
Prepayments and accrued income	404,252
Other taxation	58,594
Amounts owed by group undertakings	471
	<u>463,317</u>

6 Creditors: amounts falling due within one year

	2012
	£
Trade creditors	351,357
Amounts owed to group undertaking	5,978,676
	<u>6,330,033</u>

7 Share capital

Called up share capital:

	2012
	£
Ordinary share of £1	<u>1</u>

On incorporation of the company 1 share of nominal value of £1 was issued at nominal value.

8 Profit and loss account

	£
Balance brought forward	-
loss for the financial year	(1,437)
Balance carried forward	<u>(1,437)</u>

9 Reconciliation of shareholders' funds

	2012
	£
Issue of Share Capital	1
Loss for the financial year	(1,437)
Net decrease to shareholders' funds	<u>(1,436)</u>
Opening shareholders' funds	-
Closing shareholders' funds	<u>(1,436)</u>

Notes to the financial statements

10 Capital commitments

The company had capital commitments of £475,000 at 30 November 2012. These commitments were in relation to construction of the wind farm site. The company has also issued a decommissioning bond of £360,000 for the benefit of obtaining planning permission. Both commitments are supported by facilities held within the Companies parent Community Wind Power (Holdings) limited.

11 Contingent liabilities

The company had no contingent liabilities at 30 November 2012.

12 Related party transactions

The company has taken the exemption available in FRS 8 Related Parties to not disclose transactions with other group companies as it is a wholly owned subsidiary of Community Wind Power (Holdings) Limited which prepares publicly available group accounts.

13 Ultimate parent company

The immediate parent undertaking and ultimate parent undertaking of this company is Community Wind Power (Holdings) Limited, a company incorporated in Scotland.

R M H Wood and D A Wood are the controlling parties of the parent company.