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Registration number: 05922477

Worksop Wind Park Limited

Directors' Report and Unaudited Financial Statements

for the Year Ended 30 April 2019

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Workshop Wind Park Limited

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Workop Wind Park Limited

Company Information

Directors	Dale Vince
	Asif Rehmanwala
Registered office	Lion House
	Rowcroft
	Stroud
	Gloucestershire GL5 3BY

Worksop Wind Park Limited

Directors' Report for the Year Ended 30 April 2019

The Directors present their report and the financial statements for the year ended 30 April 2019.

Principal activities

The principal activity of the Company is the production and supply of wind powered electricity.

Directors of the Company

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

Dale Vince

Asif Rehmanwala

Dividends

No dividends were paid during the year (2018 : £Nil).

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 18/06/2020 and signed on its behalf by:



Asif Rehmanwala
Director

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

Workshop 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.

Worksop Wind Park Limited

Profit and Loss Account for the Year Ended 30 April 2019

	Note	2019 £	2018 £
Turnover	3	346,623	432,646
Administrative expenses		<u>(247,865)</u>	<u>(252,610)</u>
Profit before taxation on ordinary activities		98,758	180,036
Taxation on profit on ordinary activities	7	<u>14,103</u>	<u>(1,386)</u>
Profit for the financial year		<u><u>112,861</u></u>	<u><u>178,650</u></u>

Workop Wind Park Limited

Statement of Other Comprehensive Income for the Year Ended 30 April 2019

	Note	2019 £	2018 £
Profit for the financial year		<u>112,861</u>	<u>178,650</u>
Income tax on other comprehensive income	7	<u>8,187</u>	<u>8,187</u>
Other comprehensive income for the year, net of income tax		<u>8,187</u>	<u>8,187</u>
Total comprehensive income for the year		<u><u>121,048</u></u>	<u><u>186,837</u></u>

The notes on pages 8 to 16 form an integral part of these financial statements.

Worksop Wind Park Limited
(Registration number: 05922477)
Balance Sheet as at 30 April 2019

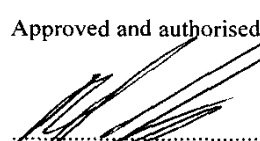
	Note	2019 £	2018 £
Fixed assets			
Tangible assets	8	2,593,223	2,724,341
Current assets			
Debtors	9	23,375	301,258
Cash at bank and in hand	10	<u>5,000</u>	<u>5,000</u>
		28,375	306,258
Creditors: Amounts falling due within one year	11	<u>(601,315)</u>	<u>(1,109,073)</u>
Net current liabilities		<u>(572,940)</u>	<u>(802,815)</u>
Total assets less current liabilities		2,020,283	1,921,526
Provisions for liabilities	12	<u>(370,287)</u>	<u>(392,577)</u>
Net assets		<u><u>1,649,996</u></u>	<u><u>1,528,949</u></u>
Capital and reserves			
Called up share capital	13	100	100
Revaluation reserve		656,862	696,833
Profit and loss account		<u>993,034</u>	<u>832,016</u>
Total equity		<u><u>1,649,996</u></u>	<u><u>1,528,949</u></u>

For the financial year ending 30 April 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved and authorised by the Board on15/02/2020..... and signed on its behalf by:



Asif Rehmanwala

Director

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

The notes on pages 8 to 16 form an integral part of these financial statements.

Workop Wind Park Limited

Statement of Changes in Equity for the Year Ended 30 April 2019

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 May 2018	100	696,832	832,016	1,528,948
Profit for the year	-	-	112,861	112,861
Other comprehensive income	-	8,187	-	8,187
Transfers from revaluation reserve	-	(48,157)	48,157	-
At 30 April 2019	<u>100</u>	<u>656,862</u>	<u>993,034</u>	<u>1,649,996</u>

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 May 2017	100	736,803	605,209	1,342,112
Profit for the year	-	-	178,650	178,650
Other comprehensive income	-	8,187	-	8,187
Transfers from revaluation reserve	-	(48,157)	48,157	-
At 30 April 2018	<u>100</u>	<u>696,833</u>	<u>832,016</u>	<u>1,528,949</u>

The notes on pages 8 to 16 form an integral part of these financial statements.

Worksof Wind Park Limited

Notes to the Financial Statements for the Year Ended 30 April 2019

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;
- Cash flow statement and related notes; and
- Key management personnel compensation.

Going concern

Notwithstanding net current liabilities of £572,940, 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.

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of electricity and related renewable credits in the ordinary course of the Company's activities. Turnover is shown net of value added tax.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the power is supplied.

Workshop Wind Park Limited

Notes to the Financial Statements for the Year Ended 30 April 2019

2 Accounting policies (continued)

Interest receivable and interest payable

Interest income and interest payable are recognised in the profit and loss as they accrue on funds invested or borrowed, using the effective interest method.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Timing differences between accumulated depreciation and tax allowances for the cost of a fixed asset are not provided if and when all conditions for retaining tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities and other future taxable profits.

Tangible assets

Tangible assets are stated at fair value less any subsequent accumulated depreciation.

Gains on revaluation are recognised in other comprehensive income and accumulated in the revaluation reserve. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease previously recognised in profit or loss.

Losses arising on revaluation are recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. Any excess is recognised in profit or loss.

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

Depreciation

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

Asset class

Plant and machinery

Depreciation method and rate

24 years with estimated residual value
being 25% of the revalued amount

Workshop Wind Park Limited

Notes to the Financial Statements for the Year Ended 30 April 2019

2 Accounting policies (continued)

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.

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Lease incentives are recognised over the length of the lease.

Worksop Wind Park Limited

Notes to the Financial Statements for the Year Ended 30 April 2019

2 Accounting policies (continued)

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.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Turnover

Turnover consists of sales wholly in the United Kingdom arising on the following continuing activities:

	2019 £	2018 £
Sale of electricity	188,991	232,688
Renewables credits	157,632	199,958
	<u>346,623</u>	<u>432,646</u>

4 Expenses

Included in profit are the following:

	2019 £	2018 £
Depreciation expense	<u>131,118</u>	<u>131,118</u>

5 Staff costs

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

6 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.

Worksop Wind Park Limited

Notes to the Financial Statements for the Year Ended 30 April 2019

7 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity:

	2019 £	2018 £
Current taxation		
UK corporation tax	-	-
Total current income tax	-	-
Deferred taxation		
Origination and reversal of timing differences	(22,290)	(6,801)
Total tax credit	(22,290)	(6,801)

	2019			2018		
	Current Tax £	Deferred tax £	Total tax £	Current tax £	Deferred tax £	Total tax £
Taxation						
Recognised in profit and loss account	-	(14,103)	(14,103)	-	1,386	1,386
Recognised in other comprehensive income	-	(8,187)	(8,187)	-	(8,187)	(8,187)
	-	(22,290)	(22,290)	-	(6,801)	(6,801)

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2018: the same as the standard rate of corporation tax in the UK) of 19% (2018: 19%).

The differences are reconciled below:

	2019 £	2018 £
Profit before tax	98,758	180,036
Corporation tax at standard rate	18,764	34,207
Group relief claimed	(26,366)	(41,808)
Reduction in tax rate on deferred tax balances	801	800
Adjustments to tax charge in respect of previous periods - deferred tax	(15,489)	-
Deferred tax credited to other comprehensive income	8,187	8,187
Total tax (credit)/charge included in profit and loss	(14,103)	1,386

From 1 April 2015, the main rate of corporation tax was reduced to 20%. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 30 April 2019 has been calculated based on these rates.

Workshop Wind Park Limited

Notes to the Financial Statements for the Year Ended 30 April 2019

8 Tangible assets

	Plant and machinery £	Total £
Valuation		
At 1 May 2018	<u>3,117,695</u>	<u>3,117,695</u>
At 30 April 2019	<u>3,117,695</u>	<u>3,117,695</u>
Depreciation		
At 1 May 2018	393,354	393,354
Charge for the year	<u>131,118</u>	<u>131,118</u>
At 30 April 2019	<u>524,472</u>	<u>524,472</u>
Carrying amount		
At 30 April 2019	<u>2,593,223</u>	<u>2,593,223</u>
At 30 April 2018	<u>2,724,341</u>	<u>2,724,341</u>

Historic cost

The following information relates to tangible fixed assets carried on the basis of revaluations in accordance with FRS 102.

	2019 £	2018 £
At valuation	3,117,695	3,117,695
Aggregate depreciation thereon	<u>(524,472)</u>	<u>(393,354)</u>
Net book value	<u>2,593,223</u>	<u>2,724,341</u>
Historical cost of revalued assets	2,654,741	2,654,741
Aggregate depreciation thereon	<u>(850,234)</u>	<u>(767,273)</u>
Historical cost net book value	<u>1,804,507</u>	<u>1,887,468</u>

An internal valuation of plant and machinery was performed by the Directors as at 30 April 2019 based on the asset's forecasted discounted future cash flow. The future cash flow model assumes that the historic generation levels recorded by the asset over its life will continue at the same rate and that the current power price agreement and renewables credits available will continue with expected inflationary increases. Expenditure patterns are assumed to be consistent with expected inflationary increases and with expected maintenance works taken into account. The discount rate is assumed to be the minimum rate of return that the Group expects on similar investments.

External valuations are performed with sufficient frequency to ensure that the carrying value does not differ materially from the fair value at the end of the reporting period. The previous external valuation was performed as at 30 April 2013 by BDO LLP.

Worksop Wind Park Limited

Notes to the Financial Statements for the Year Ended 30 April 2019

9 Debtors

	2019 £	2018 £
Due within one year		
Amounts owed by group undertakings	23,375	289,498
Prepayments	-	11,760
	<u>23,375</u>	<u>301,258</u>

10 Cash and cash equivalents

	2019 £	2018 £
Cash at bank	<u>5,000</u>	<u>5,000</u>

11 Creditors

	2019 £	2018 £
Due within one year		
Trade creditors	7,852	10,584
Amounts due to group undertakings	592,459	1,097,378
Accrued expenses	<u>1,004</u>	<u>1,111</u>
	<u>601,315</u>	<u>1,109,073</u>

12 Deferred tax and other provisions

	Deferred tax £
At 1 May 2018	392,577
Credited to the profit and loss account	(14,103)
Credited to other comprehensive income	<u>(8,187)</u>
At 30 April 2019	<u>370,287</u>

Analysis of deferred tax

	2019 £	2018 £
Accelerated capital allowances	<u>370,287</u>	<u>392,577</u>

Workshop Wind Park Limited

Notes to the Financial Statements for the Year Ended 30 April 2019

13 Capital and reserves

Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

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.

Revaluation reserve

Where tangible fixed assets are revalued the cumulative increase in the fair value of the property at the date of revaluation in excess of any previous impairment losses is recognised in the revaluation reserve.

14 Obligations under leases

Operating leases

The operating lease charges a peppercorn rate of rent of £1 per annum until 2032.

15 Related party transactions

The Company has taken advantage of the exemptions contained in FRS 102.33 and has not disclosed transactions or balances with wholly owned subsidiaries which form part of the Group.

Worksoop Wind Park Limited

Notes to the Financial Statements for the Year Ended 30 April 2019

16 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

• Revalued asset valuation

An internal valuation of plant and machinery was performed by the Directors as at 30 April 2019 based on the asset's forecasted discounted future cash flow. The future cash flow model assumes that the historic generation levels recorded by the asset over its life will continue at the same rate and that the current power price agreement and renewables credits available will continue with expected inflationary increases. Expenditure patterns are assumed to be consistent with expected inflationary increases and with expected maintenance works taken into account. The discount rate is assumed to be the minimum rate of return that the Group expects on similar investments. See Note 8 for the carrying value of the revalued assets at 30 April 2019.

External valuations are performed with sufficient frequency to ensure that the carrying value does not differ materially from the fair value at the end of the reporting period. The previous external valuation was performed as at 30 April 2013 by BDO LLP.

• Asset residual values

Management estimate that plant and machinery has a 24 year life with a residual value of 25% of the revalued amount. This reflects the residual value of the lease on the site, which are typically longer than 24 years, and plant and machinery at that point. No site has yet reached the end of its 24 year useful economic life and so this is a management estimate which would depend on many factors such as second hand values, obtaining subsequent planning permission on the site, power prices and turbine re-powering costs.

17 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 Next Generation Wind Holdings Limited, a Company incorporated in England and Wales.

The largest Group in which the results of the Company are consolidated is that headed by Ecotricity Group Limited. No other financial statements include the results of the Company. Consolidated financial statements may be obtained from Lion House, Rowcroft, Stroud, Gloucestershire, GL5 3BY.