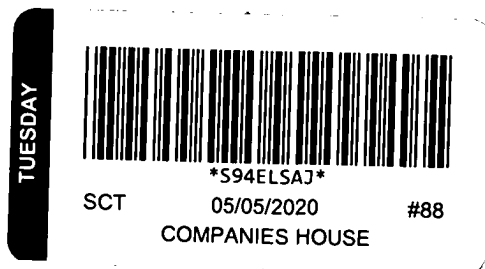


**REGISTERED NUMBER: SO302325 (Scotland)**

**Report of the Members and  
Financial Statements for the year ended 30 September 2019  
for  
Allt Dearg Wind Farmers LLP**



**Allt Dearg Wind Farmers LLP (Registered number: SO302325)**

**Contents of the Financial Statements  
for the year ended 30 September 2019**

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**Allt Dearg Wind Farmers LLP****General Information  
for the year ended 30 September 2019**

<b>DESIGNATED MEMBERS:</b>	Ormsary Farmers Kenneths of Stronachullin LLP
<b>OTHER MEMBERS:</b>	AD Wind Farmers Limited Wet & Windy Energy Limited Ardrishaig Renewable Energies Limited ECF Wind Farm Partnership
<b>REGISTERED OFFICE:</b>	Ormsary Estate Office Ormsary Lochgilphead Argyll PA31 8PE
<b>REGISTERED NUMBER</b>	SO302325 (Scotland)
<b>STATUTORY AUDITOR</b>	Grant Thornton UK LLP Chartered Accountants 110 Queen Street Glasgow G1 3BX

**Allt Dearg Wind Farmers LLP (Registered number: SO302325)****Report of the Members  
for the year ended 30 September 2019**

The members present their report with the financial statements of the LLP for the year ended 30 September 2019.

**DESIGNATED MEMBERS**

The designated members during the year under review were:

Ormsary Farmers  
Kenneths of Stronachullin LLP

**OTHER MEMBERS**

The other members during the year under review were:

AD Wind Farmers Limited  
Wet & Windy Energy Limited  
Ardrishaig Renewable Energies Limited  
ECF Wind Farm Partnership

**RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS**

The profit for the year before members' remuneration was £2,289,588. After reduction for fees and interest paid to and from members, a residual profit of £2,208,409 was available for distribution to the members.

The profit available to the members is allocated in accordance with the terms and conditions detailed in the members' agreement. The agreement provides for all profit being allocated each year and is therefore shown as members' remuneration charged as an expense in the income statement.

In generation terms Allt Dearg has had a further satisfactory year with the overall output achieved in the twelve-month period being significantly in excess of the base levels that had been originally assumed. Generation levels were 1.8% above those reported for the previous year, but due to a strengthening of export prices Income is on a par with the previous year. Allt Dearg qualifies for 1 ROC support.

All costs continue to be controlled, and are within Budgeted expectations.

Allt Dearg continues to be in the forefront of renewable energy schemes which successfully deliver economic benefit to its local community, and remains one of the most productive UK wind farms. A close relationship remains in place with the turbine maintenance team to ensure that the turbines remain highly generative and well looked after in order to enable the continuation of the strong output achieved to date.

Allt Dearg Wind Farmers LLP (Registered number: SO302325)

**Report of the Members  
for the year ended 30 September 2019**

## **MEMBERS' RESPONSIBILITIES**

The members are responsible for preparing the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 2008 Regulations) require the members to prepare financial statements for each financial period. Under the law the members have elected to prepare financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period.

In preparing these financial statements, the members are required to;

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the 2008 Regulations. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

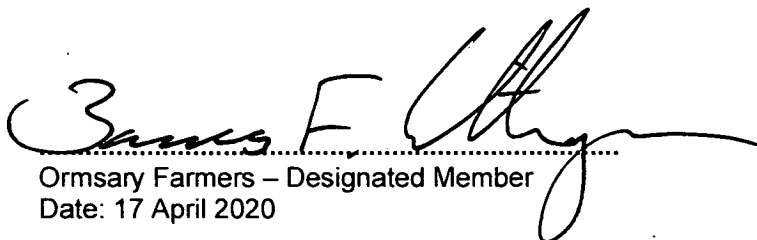
The members confirm that:

- so far as each member is aware, there is no relevant audit information of which the LLP's auditor is unaware; and
- the members have taken all the steps they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

## **AUDITORS**

Grant Thornton UK LLP have expressed their willingness to continue in office as auditors. The partners have commenced a competitive tender process in readiness for the review of the results for the six months ended 31 March 2020.

**ON BEHALF OF THE MEMBERS:**

  
Ormsary Farmers – Designated Member  
Date: 17 April 2020

## **Independent auditor's report to the members of Allt Dearg Wind Farmers LLP**

### **Opinion**

We have audited the financial statements of Allt Dearg Wind Farmers LLP (the 'limited liability partnership') for the year ended 30 September 2019, which comprise the Profit & Loss account & the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 30 September 2019 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 as applied to limited liability partnerships.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the limited liability partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Independent auditor's report to the members of Allt Dearg Wind Farmers LLP**  
(cont'd)

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability partnerships 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
- we have not received all the information and explanations we require for our audit

**Responsibilities of members for the financial statements**

As explained more fully in the members' responsibilities statement set out on page 3, the members 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 members 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 members are responsible for assessing the limited liability partnership'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 members either intend to liquidate the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Lorraine Macphail**  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Date: 17<sup>th</sup> April 2020

*Grant Thornton UK LLP*

**Allt Dearg Wind Farmers LLP (Registered number: SO302325)****Profit and Loss Account  
for the year ended 30 September 2019**

	<u>Notes</u>	<u>Year to</u> <u>30.09.19</u> £	<u>Year to</u> <u>3.10.18</u> £
<b>Turnover</b>		4,185,595	3,782,153
<b>Cost of sales</b>		(1,245,230)	(1,185,956)
<b>Gross profit</b>		2,940,365	2,596,197
<b>Administrative costs</b>		(188,746)	(187,692)
<b>Operating profit</b>	3	2,751,619	2,408,505
<b>Interest receivable</b>	4	4,718	332
<b>Interest payable</b>	5	(466,749)	(498,956)
<b>Profit for the financial year before members' remuneration</b>		2,289,588	1,909,881
<b>Members' remuneration charged as an expense</b>	2	(2,289,588)	(1,909,881)
<b>Result for the financial year available for discretionary division among members</b>		-	-

All of the LLP's activities are derived from continuing operations during the above financial periods.

The LLP had no recognised gains and losses other than those included in the results above, and therefore no separate statement of other comprehensive income has been presented.

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



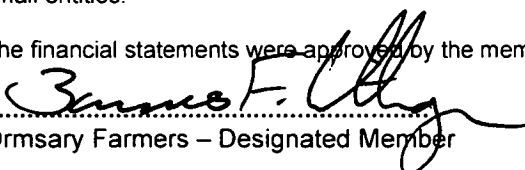
**Allt Dearg Wind Farmers LLP (Registered number: SO302325)**

**Statement of Financial Position  
30 September 2019**

	<u>Notes</u>	<u>30.09.19</u> £	<u>3.10.18</u> £
Fixed assets			
Tangible fixed assets	6	9,599,306	10,331,457
Current assets			
Debtors: amounts falling due within one year	7	845,033	554,956
Amounts due from members falling within one year	7	195,959	174,531
Amounts due from members falling due after one year	8	2,276,713	2,494,103
Cash at bank		1,338,413	1,313,746
		<u>4,656,118</u>	<u>4,537,336</u>
Creditors: amounts falling due within one year	9	(1,302,582)	(1,287,310)
Net current assets		<u>3,353,536</u>	<u>3,250,026</u>
Total assets less current liabilities		12,952,842	13,581,483
Creditors: amounts falling due after more than one year	10	(9,277,330)	(10,180,067)
Provision for liabilities	10	(109,858)	-
Net assets attributable to members		<u>3,565,654</u>	<u>3,401,416</u>
Represented by:			
Members' capital classified as liability	12	300,005	300,005
Loans and other debts due to members	12	3,265,649	3,101,411
		<u>3,565,654</u>	<u>3,401,416</u>
Total members' interests:			
Loans due from members falling within one year		(195,959)	(174,531)
Loans due from members falling due after one year		(2,276,713)	(2,494,103)
Loans and other debts due to members		3,565,654	3,384,474
		<u>1,092,982</u>	<u>715,840</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2016 as modified by the Limited Liability Partnerships, Partnerships and Groups (Accounts and Audit) Regulations 2015 relating to small LLP's and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved by the members of the LLP on 17 April 2020 and were signed by:

  
.....  
Ormsary Farmers – Designated Member

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

**Allt Dearg Wind Farmers LLP (Registered number: SO302325)****Notes to the Financial Statements  
for the year ended 30 September 2019****1. Accounting policies****Basis of preparation**

The financial statements have been prepared under the historical cost convention, and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements have been prepared on the going concern basis, as the members have confirmed that the LLP is able to meet its short-term liabilities as and when they fall due.

All profits and losses of the LLP are treated as members' remuneration charged as an expense as all profit and losses are automatically allocated under the terms of the members' agreement. There is no discretion on the part of the LLP in relation to such allocations. Fixed shares of profits are also treated as members' remuneration charged as an expense. These allocated profits are then included within amounts due to members in the statement of financial position.

Members' capital is classified as a liability as it is due to be repaid to the members should they cease to be a member.

**Turnover**

Turnover represents the amount of goods sold and services provided from the generation of power (stated net of value added tax), and is all within the U.K. Turnover is recognised on an accruals basis due to timing differences apart from certain subsidies (ROC recycling) which is recognised on a cash basis.

**Depreciation**

Tangible fixed assets are stated at cost, which where appropriate includes finance charges incurred during the construction phase, less depreciation. Depreciation is calculated to write off the cost of each fixed asset by equal instalments over the estimated useful life. The rates most widely used are:

Wind Farm Scheme - 5%

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

## Notes to the Financial Statements for the year ended 30 September 2019

### 1. Accounting policies (continued)

#### Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including members' capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

#### Foreign currencies

Transactions in foreign currencies during the year are converted into sterling at the rates ruling at the dates of the transactions. Assets and liabilities in foreign currencies at the balance sheet date are translated at the rates ruling at that date.

#### Taxation

Taxation on all the LLP's profits is solely the personal liability of individual members and is not dealt with in these financial statements.

### 2. Information in relation to members

The average number of members during the year was

Year to <u>30.09.19</u>	Year to <u>30.09.18</u>
6	6
=====	=====

#### Members' remuneration

	Year to <u>30.09.19</u> £	Year to <u>30.09.18</u> £
Expenses Rendered to Ormsary Farmers	76,262	82,581
Expenses Rendered to Kenneths of Stronachullin LLP	14,795	18,090
-----	91,057	100,671
Interest paid by Ardrishaig Renewable Energies Limited	(9,878)	(12,108)
Allocation of residual profit to members	2,208,409	1,821,318
	-----	-----
	2,289,588	1,909,881
	=====	=====

## Allt Dearg Wind Farmers LLP (Registered number: SO302325)

Notes to the Financial Statements  
for the year ended 30 September 20193. Operating profit

This is stated after charging

	Year to <u>30.09.19</u> £	Year to <u>30.09.18</u> £
Auditor's remuneration – Audit services	7,200	5,800
Depreciation	732,151	732,147
Charitable donations	34,272	33,600

4. Interest receivable

	Year to <u>30.09.19</u> £	Year to <u>30.09.18</u> £
Interest received on bank deposits	4,718	332

5. Interest payable

	Year to <u>30.09.19</u> £	Year to <u>30.09.18</u> £
Interest on loans not wholly repayable within 5 years	466,749	498,956
Net costs incurred on cancellation of loan facilities (note 11)	-	-
	<u>466,749</u>	<u>498,956</u>

## Allt Dearg Wind Farmers LLP (Registered number: SO302325)

Notes to the Financial Statements  
for the year ended 30 September 20196. Tangible fixed assets

	<u>Finance costs</u> £	<u>Machinery plant vehicles and fittings</u> £	<u>Total</u> £
Cost or valuation:			
At 1 October 2018	925,778	13,613,346	14,539,124
Additions	-	-	-
	-----	-----	-----
At 30 September 2019	925,778	13,613,346	14,539,124
	=====	=====	=====
Depreciation:			
At 1 October 2018	266,162	3,941,505	4,207,667
Charge for the year	46,289	685,862	732,151
	-----	-----	-----
At 30 September, 2019	312,451	4,627,367	4,939,818
	=====	=====	=====
Net book value:			
At 30 September 2019	613,327	8,985,979	9,599,306
	=====	=====	=====
At 30 September 2018	659,616	9,671,841	10,331,457
	=====	=====	=====

7. Debtors: amounts falling due within one year

	<u>30.09.19</u> £	<u>30.09.18</u> £
Trade Debtors	140,081	-
Loans to members (note 12b)	195,959	174,531
Income receivable	567,756	543,523
Prepayments	137,196	11,433
	-----	-----
	1,040,992	729,487
	=====	=====

8. Debtors: amounts falling due outwith one year

	<u>30.09.19</u> £	<u>30.09.18</u> £
Loans to members (note 12b)	2,276,713	2,494,103
	=====	=====

**Allt Dearg Wind Farmers LLP (Registered number: SO302325)**

**Notes to the Financial Statements  
for the year ended 30 September 2019**

9. Creditors: amounts falling due within one year

	<u>30.09.19</u>	<u>30.09.18</u>
	£	£
Trade creditors	7,485	2,617
Loan instalments payable within one year (note 11)	1,032,048	966,032
Other creditors and accruals	263,049	318,661
	<u>1,302,582</u>	<u>1,287,310</u>

The loan is secured by way of a floating charge over all of the property, assets and undertakings of the LLP, a standard security over the leases, and a fixed charge over all of the bank accounts of the LLP.

10. Creditors: amounts falling due after more than one year

	<u>30.09.19</u>	<u>30.09.18</u>
	£	£
Loan instalments payable outwith one year (note 11)	<u>9,277,330</u>	<u>10,180,067</u>
Provision for Liabilities	<u>109,858</u>	<u>-</u>

**Allt Dearg Wind Farmers LLP (Registered number: SO302325)**

**Notes to the Financial Statements  
for the year ended 30 September 2019**

11. Loans

	<u>30.09.19</u> £	<u>30.09.18</u> £
Not wholly repayable within five years	10,309,378	11,146,099
Instalments due		
After five years	4,690,098	5,856,889
Between two and five years	3,510,847	3,312,668
Between one and two years	1,076,385	1,010,510
	-----	-----
	9,277,330	10,180,067
Within one year (note 9)	1,032,048	966,032
	-----	-----
	<u>10,309,378</u>	<u>11,146,099</u>

A loan funding of £12,250,000 was provided by way of non recourse project finance on 3 October 2017. It is repayable over a period of 10 years and six months, on a half yearly repayment programme, with interest charged at a fixed rate of 4.2% per annum. The loan is secured by way of a floating charge over all of the property, assets and undertakings of the LLP, a standard security over the leases, and a fixed charge over all bank accounts of the LLP. Issue costs of £134,750 were incurred. These costs have been deducted from the initial carrying value and will be charged to profit or loss as part of the interest charge calculated using the effective interest rate method.

## Allt Dearg Wind Farmers LLP (Registered number: SO302325)

Notes to the Financial Statements  
for the year ended 30 September 201912. Members' interests

## (a) Summary

	<u>Members' capital classified as a liability</u> £	<u>Other amounts, loans and other debts due to members</u> £	<u>Total</u> £
Balance at 1 October 2018	300,005	415,835	715,840
Members' remuneration charged as an expense	-	2,289,588	2,289,588
New Loan Issue to members	-	-	-
Distribution of accumulated current account arising from profits	-	(1,947,989)	(1,947,989)
Loan repaid by members	-	195,959	195,959
Loan repaid to members	-	(160,416)	(160,416)
	<u>300,005</u>	<u>792,977</u>	<u>1,092,982</u>
Balance as 30 September 2019	300,005	792,977	1,092,982
		<u>30.09.19</u> £	<u>30.09.18</u> £
Amounts due from members (Note 12b)		(2,472,672)	(2,668,634)
Loans and other debts due to members		3,265,649	3,084,469
		<u>792,977</u>	<u>415,835</u>



**Allt Dearg Wind Farmers LLP (Registered number: SO302325)**

**Notes to the Financial Statements  
for the year ended 30 September 2019**

12. Members' interests  
(continued)

(b) Details of amounts due from members

Amounts falling due within one year:

	<u>30.09.19</u>	<u>30.09.18</u>
	£	£
Due by AD Wind Farmers Limited (non-interest bearing)	9,004	10,862
Due by Ardrishaig Renewable Energies Limited (interest bearing)	19,769	19,770
Due by Ardrishaig Renewable Energies Limited (non-interest bearing)	13,439	10,053
Due by ECF Wind Farm Partnership (non-interest bearing)	7,380	6,168
Due by Kenneths of Stronachullin LLP (non-interest bearing)	35,196	30,096
Due by Ormsary Farmers (non-interest bearing)	60,656	68,484
Due by Wet & Windy Energy Limited (non-interest bearing)	50,515	29,098
	-----	-----
	<u>195,959</u>	<u>174,531</u>

Amounts falling due outwith one year:

	<u>30.09.19</u>	<u>30.09.18</u>
	£	£
Due by AD Wind Farmers Limited (non-interest bearing)	135,638	142,785
Due by Ardrishaig Renewable Energies Limited (interest bearing)	200,520	220,290
Due by Ardrishaig Renewable Energies Limited (non-interest bearing)	140,843	157,668
Due by ECF Wind Farm Partnership (non-interest bearing)	82,165	90,591
Due by Kenneths of Stronachullin LLP (non-interest bearing)	398,635	438,139
Due by Ormsary Farmers (non-interest bearing)	876,394	930,180
Due by Wet & Windy Energy Limited (non-interest bearing)	442,518	514,450
	-----	-----
	<u>2,276,713</u>	<u>2,494,103</u>

The non-interest bearing loans were provided to the respective members in April 2013, and are repayable over a fifteen year period, on a half yearly repayment programme, commencing from October 2013.

The interest bearing loan was provided to Ardrishaig Renewable Energies Limited in December 2011. It is repayable over a fifteen year period, on a half yearly repayment programme, commencing from October 2013, and interest has been charged at 4.2% per annum.

**Allt Dearg Wind Farmers LLP (Registered number: SO302325)**

**Notes to the Financial Statements  
for the year ended 30 September 2019**

12. Members' interests  
(continued)

(c) Members' capital

The following balances remain outstanding at the end of the financial year:

	<u>30.09.19</u>	<u>30.09.18</u>
	£	£
Members' contribution		
Ormsary Farmers	1	1
Kenneths of Stronachullin LLP	1	1
AD Wind Farmers Limited	1	1
Wet & Windy Energy Limited	1	1
Ardrihaig Renewable Energies Limited	300,000	300,000
ECF Wind Farm Partnership	1	1

13. Capital commitments

The LLP had no capital commitments at either 30 September 2019.

14. Related parties

During the year to 30 September 2019, management and service fees of £108,727 (2018 - £91,472) were charged by Lithgows Limited, the parent company of Wet & Windy Energy Limited.