Batsworthy Cross Wind Farm Limited

Directors' report and

Audited financial statements for the year ended 31 December 2016

Batsworthy Cross Wind Farm Limited

Contents of the financial statements
For The Year Ended 31 December 2016

Batsworthy Cross Wind Farm Limited

Company information
For The Year Ended 31 December 2016

Directors:	P G Raftery C D K Reid
Registered office:	2nd Floor Edgeborough House Upper Edgeborough Road Guildford Surrey GU1 2BJ
Registered number:	09248919 (England and Wales)
Independent auditors:	Deloitte LLP Statutory Auditor Abbots House Abbey Street Reading Berkshire RG1 3BD
Bankers:	HSBC 3 Rivergate Temple Quay Bristol BS1 6ER

Batsworthy Cross Wind Farm Limited

Directors' report
For The Year Ended 31 December 2016

The directors present their report with the financial statements of the Company for the year ended 31 December 2016.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Further information on the basis of preparation of these financial statements and the going concern assumption can be found in note 2.

Principal activity
The principal activity of the Company in the period under review was the construction and operation of the 18MW wind farm at Batsworthy Cross in Devon and this is expected to continue to be the principal activity of the Company.

On 31 October 2016, the Company had its entire share capital purchased by RI Income UK Holdings Limited and subsequently new directors were appointed on the date of the transaction.

The Company will function in the same manner as before and as such there will be no fundamental change to the way the Company is operated or managed.

Dividends
The loss during the year ended 31 December 2016 was £272,159 (31 December 2015: £11).

No dividends will be distributed for the year ended 31 December 2016 (31 December 2015: £nil).

Directors
The directors who have held office during the period from 1 January 2016 to the date of this report are as follows:

P G Raftery - appointed 31 October 2016
C D K Reid - appointed 31 October 2016
B J Freeman - resigned 31 October 2016
M Parker - resigned 31 October 2016

Risks and uncertainties
The Company is exposed to fluctuations in UK power prices. The company seeks to manage the volatility in power prices by fixing prices at least six months in advance whenever possible.

Directors' indemnities
The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

Statement as to disclosure of information to auditors
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Batsworthy Cross Wind Farm Limited

Directors' report
For The Year Ended 31 December 2016

Auditors

The auditors, Deloitte LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

....

C D K Reid - Director

27 September 2017

Batsworthy Cross Wind Farm Limited

Statement of directors' responsibilities
For The Year Ended 31 December 2016

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), 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 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.

Independent auditors' report to the members of Batsworthy Cross Wind Farm Limited

We have audited the financial statements of Batsworthy Cross Wind Farm Limited for the year ended 31 December 2016 which comprise the Income statement, the Statement of other comprehensive income, the balance sheet, the Statement of changes in equity and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Statement of directors' responsibilities set out on page four, 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 Directors' 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 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Directors' Report.

Independent auditors' report to the members of Batsworthy Cross Wind Farm 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic report or to prepare Directors' report.

Andrew Evans

Andrew Evans (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Reading
Berkshire

Date: 28 September 2017

Batsworthy Cross Wind Farm Limited

Income statement
For The Year Ended 31 December 2016

	Notes	Year ended 31/12/16 £	Period 3/10/14 to 31/12/15 £
Turnover	3	1,228,801	-
Cost of sales		(935,302)	-
Gross profit		293,499	-
Administrative expenses		(54,385)	(14)
Operating profit/(loss)	4	239,114	(14)
Interest payable and similar expenses		(577,048)	-
Loss before taxation		(337,934)	(14)
Tax on loss		65,775	3
Loss for the financial year		(272,159)	(11)

The notes on pages 11 to 21 form part of these financial statements

Batsworthy Cross Wind Farm Limited

Statement of other comprehensive income
For The Year Ended 31 December 2016

	Notes	Year ended 31/12/16 £	Period 3/10/14 to 31/12/15 £
Loss for the year		(272,159)	(11)
Other comprehensive (loss)/income			
Gain/(loss) on cash flow hedges		(179,536)	179,536
Deferred tax on FX forward contracts		32,316	(32,316)
Income tax relating to components of other comprehensive (loss)/income		-	-
Other comprehensive (loss)/income For the year, net of income tax		(147,220)	147,220
Total comprehensive (loss)/income for the year		(419,379)	147,209

The notes on pages 11 to 21 form part of these financial statements

Batsworthy Cross Wind Farm Limited (Registered number: 09248919)

Balance sheet
31 December 2016

	Notes	31/12/16 £	31/12/15 £
Fixed assets			
Tangible assets	5	26,382,838	14,336,626
Current assets			
Debtors	6	1,842,664	631,143
Creditors			
Amounts falling due within one year	7	(26,625,346)	(14,788,243)
Net current liabilities		(24,782,682)	(14,157,100)
Total assets less current liabilities		1,600,156	179,526
Provisions for liabilities	9	-	(32,316)
Net assets		1,600,156	147,210
Capital and reserves			
Called up share capital		1	1
Hedging reserve		-	147,220
Retained earnings		1,600,155	(11)
		1,600,156	147,210

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 27 September 2017 and were signed on its behalf by:

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C D K Reid - Director

Batsworthy Cross Wind Farm Limited

Statement of changes in equity
For The Year Ended 31 December 2016

	Called up share capital £	Retained earnings £	Hedging reserve £	Total equity £
Changes in equity				
Issue of share capital	1	-	-	1
Total comprehensive income	-	(11)	147,220	147,209
Balance at 31 December 2015	1	(11)	147,220	147,210
Changes in equity				
Total comprehensive income	-	(272,159)	(147,220)	(419,379)
Capital contributions from parent	-	1,872,325	-	1,872,325
Balance at 31 December 2016	1	1,600,155	-	1,600,156

The notes on pages 11 to 21 form part of these financial statements

1. General information

Batsworthy Cross Wind Farm Limited is a company incorporated in the United Kingdom, England and Wales, under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' report on page 2.

2. Accounting policies

Basis of preparing the financial statements
The financial statements have been prepared in accordance with the applicable United Kingdom accounting standards, including Financial Reporting Standard 102 section 1A small entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements apply the July 2015 amendments to FRS 102. The particular accounting policies adopted are described below and have been applied consistently throughout the current financial period. The prior financial period was prepared under Financial Reporting Standard 101.

Section 1A for small companies has been applied on the basis that the entity meets the criteria set out within the Companies Act. The directors believe the entity is part of an eligible group on the basis that the ultimate controlling party is not listed on any market.

The Company has taken advantage of the exemptions available to small entities under section 1A in relation to presentation of a cash flow statement and the disclosures of net finance charge, current taxation, financial instruments, share capital and reserves.

This is the first period in which the financial statements have been prepared under FRS 102 section 1A. The prior year financial statements were not restated for material adjustments on adoption of FRS 102 in the current year. Refer to note 16 for an explanation of the transition.

The financial statements are prepared under the historical cost convention, except for the modification to a fair value basis for certain assets and liabilities.

2. Accounting policies - continued

Going concern
The financial statements have been prepared on the basis the Company is a going concern, which the directors consider appropriate.

The directors have separately reviewed integrated forecasts for the Company, for the foreseeable future, which indicate that the Company will be able to meet its cash flow demands and liabilities as they fall due from cash flows from operations and existing working capital.

The directors have written confirmation that RI Income UK Holdings Limited intends to continue to financially support the Company during the 12 months following the date the financial statements are signed.

Critical accounting judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Deferred taxation
Deferred tax assets are only recognised when management deem that it is highly probable that there will be sufficient taxable profits in future periods which can utilise the deferred tax asset.

Operating lease commitments
The classification of leases as operating or finance leases requires the Company to determine, based on evaluation of the terms and conditions of the arrangements, whether it acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires recognition on the balance sheet.

2. Accounting policies - continued

Turnover
Turnover represents the value of power generated during the year, excluding value added tax, in the UK.

Turnover recognition
Turnover is recognised when the significant risks and rewards are considered to have transferred to the buyer and is recorded at the fair value of the consideration received or receivable. The following specific recognition criteria must also be met before turnover is recognised:

a) Generation and embedded benefits turnover
Turnover from the sale of electricity represents the invoice value, pre sales tax, of electricity provided to third parties and is recognised when electricity is generated. Embedded benefits are paid to generating plant located on the distribution network to reflect the lower cost of transporting electricity to the end user and are recorded at the invoice value.

b)TRIADS turnover
Turnover from the sale of TRIADS (bonus for generating at peak demand times during the winter months) represents the invoice value, before sales tax, of TRIADS provided to third parties and is recognised when eligible electricity is generated.

c) ROCs turnover
Renewable Obligation Certificates (ROCs) are issued to qualifying renewable generators under the terms of the generating station's OFGEM Renewable Obligation registration. These certificates may be traded separately from the electricity to which they relate. The ROCs are recorded as accrued income at fair value and recognised in turnover when the electricity to which they relate is generated. Any impairment of ROCs due to reduction in the market price is recorded in profit and loss.

Tangible fixed assets
Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of such plant and equipment when that cost is incurred if the recognition criteria are met, but excludes the costs of day-to-day servicing which is expensed as incurred.

Depreciation is provided on all tangible fixed assets, other than freehold land, at the following annual rates in order to write off each asset over its estimated useful life.

Operating wind sites	-	20 years

2. Accounting policies - continued

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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 deducting all of its liabilities.

Financial assets and liabilities
All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

2. Accounting policies - continued

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Derivative financial instruments
The Company uses derivative financial instruments to reduce exposure to foreign exchange fluctuations. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in other comprehensive income and the ineffective portion is recognised immediately in the income statement. If the cash flow hedge of a firm commitment or forecast transaction results in the recognition of a non-financial asset or liability, then at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in other comprehensive income are included in the initial measurement of the asset or liability.

Hedge accounting
The Company designates certain derivatives as cash flow hedging instruments in respect of variable foreign exchange rate risk of the cash flows associated with recognised debt instruments measured at amortised cost.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with the clear identification of the risk in the hedged item that is being hedged by the hedging instrument. Furthermore, at the inception of the hedge and on an ongoing basis, the Company assesses whether the hedging instrument is highly effective in offsetting the designated hedged risk.

2. Accounting policies - continued

The effective portion of changes in the fair value of the designated hedging instrument is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods in which the hedged item affects profit or loss or when the hedging relationship ends. Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any gain or loss accumulated in equity at that time is reclassified to profit or loss when the hedged item is recognised in profit or loss. When a forecast transaction is no longer expected to occur, any gain or loss that was recognised in other comprehensive income is reclassified immediately to profit or loss.

Equity instruments
Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Impairment of assets
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets
An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets
For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

2. **Accounting policies - continued**

Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

-provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

-deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Deferred tax assets and liabilities are offset only if the Company has a legally enforceable right to set off current tax assets against current tax liabilities.

Cash

Cash at bank and in hand on the balance sheet comprise cash in hand and deposits held at call with banks.

Accrued income

Accrued income represents accruals for electricity generation and ROC income not yet billed.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the year in which the dividends are approved by the Company's shareholders.

Operating leases

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3. Turnover

The turnover and loss before taxation are attributable to the one principal activity of the Company.

4. Operating profit/(loss)

The operating profit (2015 - operating loss) is stated after charging:

	Year ended 31/12/16 £	Period 3/10/14 to 31/12/15 £
Rentals under operating lease	38,786	-
Depreciation - owned assets	660,362	-
Auditor's remuneration	5,000	-

In 2015 audit fees of £10,000 were borne by the parent company and not recharged.

5. Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2016	14,336,626
Additions	12,706,574
At 31 December 2016	27,043,200
Depreciation	
Charge for year	660,362
At 31 December 2016	660,362
Net book value	
At 31 December 2016	26,382,838
At 31 December 2015	14,336,626

6. Debtors: amounts falling due within one year

	31/12/16	31/12/15
	£	£
Prepayments	146,541	-
Accrued income	957,519	438,150
Amounts owed by group companies	191,758	13,457
Derivative financial asset	-	179,536
Other debtors	107,722	-
Deferred tax asset (note 13)	65,775	-
VAT	373,349	-
	1,842,664	631,143

7. Creditors: amounts falling due within one year

	31/12/16	31/12/15
	£	£
Trade creditors	115,252	1,091,571
Amounts owed to group companies	26,423,055	13,696,672
Other creditors	87,039	-
	26,625,346	14,788,243

Amounts owed to group companies are repayable on demand. Refer to note 11.

8. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31/12/16	31/12/15
	£	£
Within one year	57,556	-
Between one and five years	230,224	-
In more than five years	1,239,788	-
	1,527,568	-

9. Provisions for liabilities

	31/12/16	31/12/15
	£	£
Deferred tax liability (note 13)	-	(32,316)

10. Off-balance sheet arrangements

The Company enters into operating lease arrangements for the land on which the wind farm is located. The Company's lease rental expense is disclosed in note 4 and the Company commitments under these arrangements are disclosed in note 8. There are no other material off-balance sheet arrangements.

11. Related party disclosures

At the period end, the Company had outstanding intercompany balances with different members of the group.

The first being an outstanding interest free loan from its immediate parent company, RI Income UK Holdings Limited of £1,872,325 (31 December 2015: £13,696,672). The second being an outstanding interest bearing loan from another group company BRI Finance UK Limited of £24,282,492 (31 December 2015: £nil). As at 31 December 2016 the interest bearing amount had accrued interest of £268,239 (31 December 2015: £nil)

In addition to the above funding, there is a short term intercompany balance owed by Denzell Downs Limited of £191,758 where VAT has been received on behalf of the Company as part of a VAT group registration arrangement.

All of the above amounts are repayable on demand.

12. Ultimate controlling party

The ultimate parent undertaking and controlling party in this group is considered to be Renewable Income UK, a sub-fund of Blackrock Infrastructure Funds Public Limited Company, an investment company registered in Ireland which accounts for investments at fair value and does not prepare consolidated financial statements.

The immediate parent company as at 31 December 2016 is RI Income UK Holdings Limited, an investment company registered in England & Wales which accounts for investments at fair value and does not prepare consolidated financial statements. The accounts are available from the registered office at 12 Throgmorton Avenue, London, EC2N 2DL.

13. Deferred tax

	31/12/16	31/12/15
	£	£
Deferred tax asset/(liability)	65,775	(32,316)
The gross movement on the deferred tax account is:		
Balance at 01 January 2015/ 03 October 2014	(32,316)	-
(Charge)/credit to other comprehensive income	32,316	(32,316)
(Charge)/credit to profit and loss account	65,775	-
Balance at 31 December	65,775	(32,316)
Deferred tax provided as follows:		
Depreciation in advance of capital allowance	65,775	-
Fair value movements on financial instruments	-	(32,316)

14. Derivative financial instruments

Derivative financial instruments are initially recognised at fair value and subsequently remeasured at fair value at each reporting date. Changes in fair values are recorded in the period they arise, in either the income statement or other comprehensive income depending on the applicable accounting standards. Where the fair value of a derivative is positive it is carried as a derivative asset, and where negative as a derivative liability.

For each class of derivative instrument type the total fair value amounts at the period ends are as follows:

	31/12/16 Assets £	Total £	31/12/15 Assets £	Total £
Foreign exchange forward contracts	-	-	179,536	179,536
Total	-	-	179,536	179,536

During the year the above derivative financial instrument has matured and therefore no longer recognised in the financial statements.

15. Information regarding directors and employees

The Company has no employees (31 December 2015: Nil). None of the directors received any remuneration from the Company during the period (31 December 2015: Nil). Services are provided to the Company through a third party asset management agreement.

16. Explanation of transition to FRS 102

This is the first period that the Company has presented its financial statements under Financial Reporting Standard 102 section 1A small entities (FRS 102 section 1A) issued by the Financial Reporting Council. The last financial statements under FRS 101 were presented for the period ended 31 December 2015 and the date of transition to FRS 102 section 1A was the start of that year, 3 October 2014. As a consequence of adopting FRS 102, there have been no material effects on the financial statements; therefore no material adjustments to brought forward equity and as such there is no reconciliation to present.