

**Company Registration No.**

**07903133**

**Barlborough Limited**

**Annual Report and Financial Statements**

**For the period ended 31 December 2016**

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# **Barlborough Limited**

## **Annual report and financial statements for the period ended 31 December 2016**

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# **Barlborough Limited**

## **Officers and professional advisers**

### **Directors**

C Reid

P Raftery

### **Bankers**

HSBC Bank plc

3 Rivergate

Temple Quay

Bristol

BS1 6ER

### **Registered office**

2nd Floor

Edgeborough House

Upper Edgeborough Road

Guildford

Surrey

GU1 2BJ

### **Independent auditor**

Deloitte LLP

Statutory Auditor

Abbots House

Abbey Street

Reading

United Kingdom

RG1 3BD

# **Barlborough Limited**

## **Directors' report**

The directors present their annual report on the affairs of the Company, together with the audited financial statements and auditor's report, for the period 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 1.

### **Principal activity**

The principal activity of the Company in the period under review was the construction and subsequent operation of the 0.85MW wind farm at Barlborough in Derbyshire. The operation of the wind farm will continue to be the principal activity of the Company.

On 21 December 2015, the Company had its entire share capital purchased by RI Income UK Holdings Limited and subsequently a number of resolutions were passed. New directors were appointed on the date of the transaction and following this, the accounting reference date was changed from 30 June to 31 December to bring it into line with the new group's accounting reference date and as such an eighteen month reporting period was decided upon. Finally the name was changed from REG Barlborough Limited to Barlborough Limited.

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.

### **Results and dividends**

The loss for the period after taxation was £8,984 (30 June 2015: £nil)

The directors do not recommend the payment of a dividend (30 June 2015).

### **Directors**

The directors, who served throughout the period unless otherwise stated, were as follows:

A Whalley (resigned 21 December 2015)

N Harris (resigned 21 December 2015)

D Crockford (resigned 21 December 2015 as director and company secretary)

M Partridge (resigned 21 December 2015)

S Wannop (resigned 21 December 2015)

S Booth (resigned 21 December 2015)

C Reid (appointed 21 December 2015)

P Raftery (appointed 21 December 2015)

### **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.

The Company has purchased foreign currency during the period to act as security against and to hedge its risks associated with Euro fluctuations on committed capital expenditure. At the date of approval of these financial statements the Euro capital expenditure has been fully incurred with no further Euro expenditure expected.

## **Barlborough Limited**

### **Directors' report (continued)**

#### **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.

#### **Independent auditor and statement of provision of information to the independent auditor**

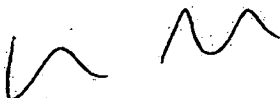
Deloitte LLP has expressed their willingness to continue in office as auditor of the Company and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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

- (1) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware;  
and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

Approved by the Board of Directors  
and signed on behalf of the Board



C Reid  
Director

18 September 2017

## **Barlborough Limited**

### **Directors' responsibilities statement**

The directors are responsible for preparing the annual report and the audited 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 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 judgments and accounting estimates that are reasonable and prudent; 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 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.

## **Barlborough Limited**

### **Independent auditor's report to the members of Barlborough Limited**

We have audited the financial statements of Barlborough Limited for the period ended 31 December 2016 which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting 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 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 auditor**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

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

#### **Opinion on financial statements**

In our opinion the financial statements:

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

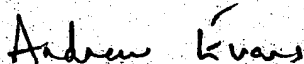
## **Barlborough Limited**

### **Independent auditor's report to the members of Barlborough Limited (continued)**

#### **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 preparing a Strategic report or in preparing the Directors' report.



Andrew Evans (Senior Statutory Auditor),

for and on behalf of Deloitte LLP

Statutory Auditor

Reading, United Kingdom

18 September 2017

# Barlborough Limited

## Statement of comprehensive income For the period ended 31 December 2016

	Notes	1 July 2015 to 31 December 2016 £	1 July 2014 to 30 June 2015 £
Turnover	3	204,784	-
Cost of sales		(171,637)	-
Gross profit		33,147	-
Administrative expenses		(8,000)	-
Operating profit	4	25,147	-
Net finance charge		(29,545)	-
Loss on ordinary activities before taxation		(4,398)	-
Tax charge on loss on ordinary activities		(4,586)	-
Loss for the financial period		(8,984)	-
Other comprehensive income		-	-
Total comprehensive loss for the financial period		(8,984)	-

All items in the above statement derive from continuing operations.

# Barlborough Limited

## Balance sheet

As at 31 December 2016

	Notes	31 December 2016 £	30 June 2015 £
<b>Fixed assets</b>			
Tangible assets	6	<u>2,233,220</u>	<u>635,539</u>
		2,233,220	635,539
<b>Current assets</b>			
Debtors	7	68,637	71,666
Cash at bank and in hand		<u>117,668</u>	<u>-</u>
		186,305	71,666
<b>Creditors: amounts falling due within one year</b>	8	<u>(2,428,508)</u>	<u>(707,204)</u>
<b>Net current liabilities</b>		(2,242,203)	(635,538)
<b>Net assets</b>		<u>(8,983)</u>	<u>1</u>
<b>Capital and reserves</b>			
Called-up share capital		1	1
Profit and loss account		(8,984)	-
<b>Shareholder's funds</b>		<u>(8,983)</u>	<u>1</u>

The financial statements of Barlborough Limited, registered number 7903133 were approved by the board of directors and authorised for issue on 18 September 2017.

Signed on behalf of the board



C Reid  
Director

## **Barlborough Limited**

### **Statement of changes in equity As at 31 December 2016**

	<b>Called-up share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
<b>As at 1 July 2014 and at 30 June 2015</b>	<u>1</u>	<u>-</u>	<u>1</u>
Loss for the financial period	-	(8,984)	(8,984)
Other comprehensive income	-	-	-
<b>Total comprehensive loss</b>	<u>-</u>	<u>(8,984)</u>	<u>(8,984)</u>
<b>As at 31 December 2016</b>	<u><u>1</u></u>	<u><u>(8,984)</u></u>	<u><u>(8,983)</u></u>

# **Barlborough Limited**

## **Notes to the financial statements For the period ended 31 December 2016**

### **1. Accounting policies**

#### **General information**

Barlborough 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.

#### **Basis of preparation**

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 in accordance with applicable United Kingdom accounting standards.

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 14 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 as specified in the accounting policies below.

#### **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.

#### **Turnover**

Turnover represents the value of power generated during the period, 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:

# **Barlborough Limited**

## **Notes to the financial statements (continued) For the period ended 31 December 2016**

### **1. Accounting policies (continued)**

#### **Turnover recognition (continued)**

##### **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) FIT turnover**

The Feed-in tariff scheme (FITs) is an incentive for electricity-generating technology from a renewable or low carbon source. Turnover is paid directly from OFGEM and is recognised at the point of generation.

#### **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
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#### **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.

# **Barlborough Limited**

## **Notes to the financial statements (continued) For the period ended 31 December 2016**

### **1. 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.

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.

#### **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.

# **Barlborough Limited**

## **Notes to the financial statements (continued)** **For the period ended 31 December 2016**

### **1. Accounting policies (continued)**

#### *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.

#### **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.

#### **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.

# **Barlborough Limited**

## **Notes to the financial statements (continued)**

### **For the period ended 31 December 2016**

#### **1. Accounting policies (continued)**

##### **Borrowing costs**

Borrowing costs are generally expensed as incurred. Borrowing costs that are directly attributable to the construction of an asset are capitalised while the asset is being constructed as part of the cost of that asset. Capitalisation of borrowing costs commences when:

- Expenditures for the asset and borrowing costs are being incurred; and
- Activities necessary to prepare the asset for its intended use are in progress.

Capitalisation ceases when the asset is substantially ready for its intended use or sale. For borrowings associated with a specific asset, the actual rate on that borrowing is used.

##### **Foreign currency translation**

Transactions in foreign currencies, which are not subject to hedge relationship, are initially recorded in the functional currency rate ruling at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange ruling at the balance sheet date, with movements in the sterling equivalent of the balance being taken to the profit and loss account.

#### **2. 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 period. 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.

##### **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.

##### **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.

#### **3. Turnover**

The total turnover of the Company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

# Barlborough Limited

## Notes to the financial statements (continued) For the period ended 31 December 2016

### 4. Operating profit

	1 July 2015 to 31 December 2016 £	1 July 2014 to 30 June 2015 £
<b>Operating profit is stated after charging:</b>		
Depreciation (note 6)	123,429	-
Rentals under operating leases:		
Other operating leases	10,573	-
Auditor's remuneration:		
Audit fees	4,000	-
	<u>137,932</u>	<u>-</u>

Audit fees were borne by a previous group company in the prior period.

### 5. Information regarding directors and employees

The Company has no employees (30 June 2015: Nil). None of the directors received any remuneration from the Company during the period (30 June 2015: Nil). Services are provided to the Company through a third party asset management agreement.

### 6. Tangible assets

	Operating wind sites £
<b>Cost</b>	
At 1 July 2015	635,539
Additions	1,721,110
At 31 December 2016	<u>2,356,649</u>
<b>Depreciation</b>	
At 1 July 2015	-
Charge for the period	123,429
At 31 December 2016	<u>123,429</u>
<b>Net book value</b>	
At 31 December 2016	<u>2,233,220</u>
At 1 July 2015	<u>635,539</u>

## Barlborough Limited

### Notes to the financial statements (continued) For the period ended 31 December 2016

#### 7. Debtors

	31 December 2016 £	30 June 2015 £
Prepayments and accrued income	49,416	-
Deferred tax (note 9)	19,220	-
Other debtors	-	9,800
Amounts owed by group companies	-	61,865
Called-up share capital not yet paid	1	1
	<u>68,637</u>	<u>71,666</u>

Amounts owed by group companies at 30 June 2015 were absorbed by RI Income UK Holdings Limited and offset with amounts owed to group companies on the acquisition of the Company by RI Income UK Holdings Limited.

#### 8. Creditors: amounts falling due within one year

	31 December 2016 £	30 June 2015 £
Trade creditors	-	235,762
Accruals	39,790	-
Other creditors	1,085	-
Amounts owed to group companies	2,387,634	471,442
	<u>2,428,508</u>	<u>707,204</u>

Amounts owed to group companies are repayable on demand.

# Barlborough Limited

## Notes to the financial statements (continued) For the period ended 31 December 2016

### 9. Deferred tax

	31 December 2016 £	30 June 2015 £
Deferred tax asset	<u>19,220</u>	<u>-</u>
<b>The gross movement on the deferred tax account is:</b>		
Balance as at 1 July	-	-
Credit to profit and loss account	19,220	-
Balance at 31 December / 30 June	<u>19,220</u>	<u>-</u>
<b>Deferred tax is provided as follows:</b>		
Depreciation in advance of capital allowances	<u>19,220</u>	<u>-</u>

Deferred tax assets and liabilities are offset only where the Company has a legally enforceable right to do so and where the assets and liabilities relate to incomes taxes levied by the same taxation authority on the same taxable entity.

### 10. Financial commitments

#### Capital commitments

As at the period end, there were capital commitments amounting to £73,965 (2015: £nil) relating to the construction of the wind farm. Funding for these commitments will be through the existing cash balance.

#### Operating lease commitments

The Company has annual land and building commitments under non-cancellable operating leases with minimum payments as follows:

	31 December 2016 £	30 June 2015 £
<b>Expiry date</b>		
- within one year	9,000	-
- between one and five years	36,000	-
- after five years	171,000	-
	<u>216,000</u>	<u>-</u>

## **Barlborough Limited**

### **Notes to the financial statements (continued) For the period ended 31 December 2016**

#### **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 £1,992,351 (30 June 2015: £471,442). The second being an outstanding interest bearing loan from another group company BRI Finance UK Limited of £370,608 (30 June 2015: £nil). As at 31 December 2016 the interest bearing amount had accrued interest of £1,972.

In addition to the above funding, there is a short term intercompany balance due to Denzell Downs Limited of £869 (2015: £nil) where VAT has been paid on behalf of the Company as part of a VAT group registration arrangement and an amount of £23,086 (2015: £nil) owed to RI Income UK Holdings for estimated group relief.

All of the above amounts are repayable on demand.

#### **12. Ultimate parent undertaking**

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

On 21 December 2015, the Company's parent had its entire share capital purchased by RI Income UK Holdings Limited and subsequently a number of resolutions were passed. New directors were appointed on the date of the transaction and following this, the accounting reference date was changed from 30 June to 31 December to bring it into line with the new group's accounting reference date and as such an eighteen month reporting period was decided upon. Finally the Company name was changed from REG Barlborough Limited to Barlborough Limited.

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. Off- balance sheet arrangements**

The Company enters into operating lease arrangements for the land on which the wind farm is located. The Company lease rental expense is disclosed in note 4 and the Company commitments under these arrangements are disclosed in note 10. There are no other material off-balance sheet arrangements.

#### **14. 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 previous UK GAAP were for the year ended 30 June 2015 and the date of transition to FRS 102 section 1A was the start of that year, 1 July 2014. As a consequence of adopting FRS 102, a number of accounting policies have changed to comply with that standard, however there are no material adjustments to brought forward equity and as such there is no reconciliation to present.