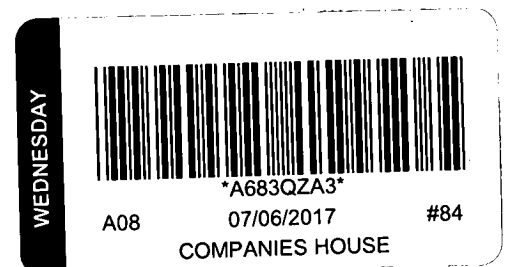


Registration number: OC398487

Aberarder Wind Farm LLP

Annual Report and Financial Statements

for the Year Ended 31 October 2016



Aberarder Wind Farm LLP

Contents

Limited liability partnership information	1
Members' Report	2 to 3
Statement of Members' Responsibilities	4
Independent Auditor's Report	5 to 6
Financial Statements	7 to 16
Profit and Loss Account	7
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Members' Interests	10
Notes to the Financial Statements	12

Aberarder Wind Farm LLP

Limited liability partnership information

Designated members	Renewable Energy Systems Limited Aberarder Partnership LLP
Registered office	Beaufort Court Egg Farm Lane Kings Langley United Kingdom WD4 8LR
Bankers	Lloyds Bank PO Box 72 Bailey Drive Gillingham Business Park Gillingham Kent ME8 0LS
Auditor	Deloitte LLP Chartered Accountants and Statutory Auditor London United Kingdom

Aberarder Wind Farm LLP

Members' Report for the Year Ended 31 October 2016

The members present their report and the financial statements for the year ended 31 October 2016:

Firm structure

The LLP is a Limited Liability Partnership registered in the United Kingdom. A list of designated members' names is available for inspection at the LLP's registered office.

Principal activity

The principal activity of the LLP is to develop a wind farm project with the intention of building assets in the form of wind turbines which will generate electricity to be sold in future.

Review of the business and future developments

The LLP made a loss for the year of £5,000 (2015: loss of £6,000), which has been added to the loss brought forward of £6,000 to give a loss to carry forward of £11,000.

During the year, fixed assets of £255,000 in the form of development costs incurred were added (2015: £829,000).

The LLP's key financial and other performance indicators during the year were as follows:

	Unit	2016	2015
Fixed Asset Additions	£	254,962.00	829,000.00

The LLP closely monitors development progress for the wind farm project. During the year, the LLP submitted a planning application which was refused by the Highland Council. An appeal was prepared and submitted in the year.

Future developments

Following the appeal, planning permission was granted by the Directorate of Planning and Environmental Appeals on 07 April 2017.

Going concern

The LLP agreement requires the members to contribute capital as needed to allow the LLP to meet its current and future obligations. The members of the LLP are satisfied after appropriate consultation, review of forecasts and projections, and taking account of reasonably possible changes in trading performance and the current funds available, that the LLP is able to operate for at least twelve months from the signing of the Members' Report and Financial Statements.

For this reason the members believe that the LLP has adequate resources to continue in operational existence and therefore it is appropriate that the LLP adopts the going concern basis in preparing the Annual Report and Financial Statements.

Designated members

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

Renewable Energy Systems Limited

Aberarder Partnership LLP

Aberarder Wind Farm LLP

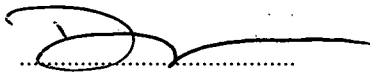
Members' Report for the Year Ended 31 October 2016 (continued)

Members' drawings and the subscription and repayment of members' capital

Members are not permitted to make drawings in anticipation of profits which will be allocated to them. Profits may be shared between members once all of the LLP's liabilities are settled.

Members are required to contribute capital from time to time in order to fund the development and construction of the LLP's assets. During the year, members made a capital contribution of £779,000.

Approved by the Members on 30 May 2017 and signed on their behalf by:



Renewable Energy Systems Limited
Designated member

Aberarder Wind Farm LLP

Statement of Members' Responsibilities for the Year Ended 31 October 2016

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

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members 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 as applied to LLPs the members 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 LLP and of the profit or loss of the LLP for that year. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The members are responsible for keeping adequate accounting records that 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 Companies Act 2006, as applicable to limited liability partnerships, and in accordance with the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships (issued July 2014). 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.

These responsibilities are exercised by the Management Committee on behalf of the members.

Aberarder Wind Farm LLP

Independent Auditor's Report to the Members of Aberarder Wind Farm LLP

We have audited the financial statements of Aberarder Wind Farm LLP (the 'LLP') for the year ended 31 October 2016, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Members' Interests and the related notes 1 to 8. 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).

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 by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

As explained more fully in the Statement of Members' Responsibilities (set out on page 4), the members 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 (APB'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 limited liability partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the members; 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.

Aberarder Wind Farm LLP

Independent Auditor's Report to the Members of Aberarder Wind Farm LLP (continued)

Opinion on the financial statements

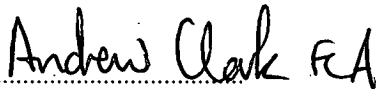
In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 October 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships.

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
- we have not received all the information and explanations we require for our audit.



Andrew Clark FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP,

Chartered Accountants and Statutory Auditor
London
United Kingdom

30 May 2017

Aberarder Wind Farm LLP

Profit and Loss Account for the Year Ended 31 October 2016

	Note	2016 £ 000	2015 £ 000
Turnover		-	-
Administrative expenses		<u>(5)</u>	<u>(5)</u>
Operating loss	2	(5)	(5)
Interest payable and similar charges	3	<u>-</u>	<u>(1)</u>
Loss for the year before members' remuneration charged as an expense		<u>(5)</u>	<u>(6)</u>
Loss for the year		<u><u>(5)</u></u>	<u><u>(6)</u></u>

Turnover and operating profit derive wholly from continuing operations.

Aberarder Wind Farm LLP

Statement of Comprehensive Income for the Year Ended 31 October 2016

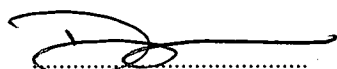
	Note	2016 £ 000	2015 £ 000
Loss for the year		(5)	(6)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive loss for the year		<u><u>(5)</u></u>	<u><u>(6)</u></u>

Aberarder Wind Farm LLP

(Registration number: OC398487)
Balance Sheet as at 31 October 2016

	Note	2016 £ 000	2015 £ 000
Fixed assets			
Tangible assets	4	1,084	829
Current assets			
Debtors	5	207	150
Cash and short-term deposits		<u>740</u>	<u>-</u>
		947	150
Creditors: Amounts falling due within one year	6	<u>(1,259)</u>	<u>(983)</u>
Net current liabilities		<u>(312)</u>	<u>(833)</u>
Total assets less current liabilities		<u>772</u>	<u>(4)</u>
Net assets/(liabilities) attributable to members		<u>772</u>	<u>(4)</u>
Represented by:			
Loans and other debts due to members			
Other amounts	7	4	2
Members' other interests			
Members' capital classified as equity		779	-
Other reserves		<u>(11)</u>	<u>(6)</u>
		<u>768</u>	<u>(6)</u>
		<u>772</u>	<u>(4)</u>
Total members' interests			
Loans and other debts due to members	7	4	2
Members' other interests		<u>768</u>	<u>(6)</u>
		<u>772</u>	<u>(4)</u>

The financial statements of Aberarder Wind Farm LLP (registered number OC398487) were approved by the Members and authorised for issue on 30 May 2017. They were signed on behalf of the LLP by:



Renewable Energy Systems Limited
Designated member

Aberarder Wind Farm LLP

**Statement of Changes in Members' Interests
At 31 October 2016**

	<u>Equity</u>			<u>Loans and other debts due to/(from) members</u>	
	<u>Members' capital</u>	<u>Other reserves</u>	<u>Total</u>	<u>Members' other amounts</u>	<u>Total</u>
	<u>£ 000</u>	<u>£ 000</u>	<u>£ 000</u>	<u>£ 000</u>	<u>2016</u>
					<u>£ 000</u>
Members' interest at 1 November 2015	-	(6)	(6)	2	(4)
Loss for the financial year	-	(5)	(5)	-	(5)
Members' capital introduced	779	-	779	-	779
Other amounts introduced by members	-	-	-	2	2
At 31 October 2016	779	(11)	768	4	772

Aberarder Wind Farm LLP

**Statement of Changes in Members' Interests
At 31 October 2016 (continued)**

	<u>Equity</u>		<u>Loans and other debts due to/(from) members</u>	
	<u>Other reserves £ 000</u>	<u>Total £ 000</u>	<u>Members' other amounts £ 000</u>	<u>Total 2016 £ 000</u>
Members' interest at 1 November 2014	-	-	-	-
Loss for the financial year	(6)	(6)	-	(6)
Other amounts introduced by members	-	-	2	2
At 31 October 2015	(6)	(6)	2	(4)

The notes on pages 12 to 16 form an integral part of these financial statements.

Aberarder Wind Farm LLP

Notes to the Financial Statements

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

General information and basis of accounting

The LLP is incorporated in the United Kingdom under the Limited Liability Partnership Act 2000. The address of the registered office is given on the LLP information page. The nature of the LLP's operations and its principal activities are given in the members' report.

The company transitioned from previously extant UK GAAP to FRS 102 as at 1 November 2014. There were no adjustments required upon transition.

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of Aberarder Wind Farm LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the LLP operates.

Summary of disclosure exemptions

The LLP meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements.

Exemptions have been taken in relation to presentation of a cash flow statement, financial instruments, and disclosures of transactions with related parties which are consolidated into the financial statements of Renewable Energy Systems Holdings Limited.

Name of parent of group

These financial statements are consolidated in the financial statements of Renewable Energy Systems Holdings Limited.

The financial statements of Renewable Energy Systems Holdings Limited may be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

Going concern

The LLP agreement requires the members to contribute capital as needed to allow the LLP to meet its current and future obligations. The members of the LLP are satisfied after appropriate consultation, review of forecasts and projections, and taking account of reasonably possible changes in trading performance and the current funds available, that the LLP is able to operate for at least twelve months from the signing of the Members' Report and Financial Statements.

For this reason the members believe that the LLP has adequate resources to continue in operational existence and therefore it is appropriate that the LLP adopt the going concern basis in preparing the Members' Report and Financial Statements.

Aberarder Wind Farm LLP

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Members' remuneration and division of profits

The SORP recognises that the basis of calculating profits for allocation may differ from the profits reflected through the financial statements prepared in compliance with recommended practice, given the established need to seek to focus profit allocation on ensuring equity between different generations and populations of members.

Consolidation of the results of certain subsidiary undertakings, the provision for annuities to current and former members, pension scheme charges, the spreading of acquisition integration costs and the treatment of long leasehold interests are all items which may generate differences between profits calculated for the purpose of allocation and those reported within the financial statements. Where such differences arise, they have been included within other amounts in the balance sheet.

Members' fixed shares of profits (excluding discretionary fixed share bonuses) and interest earned on members' balances are automatically allocated and, are treated as members' remuneration charged as an expense to the profit and loss account in arriving at profit available for discretionary division among members.

The remainder of profit shares, which have not been allocated until after the balance sheet date, are treated in these financial statements as unallocated at the balance sheet date and included within other reserves.

Taxation

The taxation payable on the partnership's profits is the personal liability of the members, although payment of such liabilities is administered by the partnership on behalf of its members. Consequently, neither partnership taxation nor related deferred taxation is accounted for in these financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members, or are set against amounts due from members as appropriate.

Tangible fixed assets

All tangible fixed assets are stated at cost net of accumulated depreciation and accumulated provision for impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. All repair and maintenance costs are recognised in the profit and loss account as incurred. The present value of the expected cost for the decommissioning of the asset after its use, is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Wind Farm in construction

Depreciation method and rate

No depreciation prior to operation
(depreciation will commence once construction is complete and the assets are operating)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Aberarder Wind Farm LLP

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the LLP does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Members' interests

Amounts due to members after more than one year comprise provisions for annuities to current members and certain loans from members which are not repayable within twelve months of the balance sheet date.

Financial instruments

Classification

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.

Recognition and Measurement

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

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as 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 finance 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 balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends 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 significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

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

Aberarder Wind Farm LLP

Notes to the Financial Statements (continued)

2 Operating loss

Operating loss is stated after charging:

	2016 £ 000	2015 £ 000
Auditors remuneration	<u>5</u>	<u>5</u>

3 Interest payable and similar charges

	2016 £ 000	2015 £ 000
Other interest payable	<u>-</u>	<u>1</u>

4 Tangible fixed assets

	Plant and machinery £ 000	Total £ 000
Cost		
At 1 November 2015	829	829
Additions	<u>255</u>	<u>255</u>
At 31 October 2016	1,084	1,084
Depreciation		
At 31 October 2016	<u>-</u>	<u>-</u>
Net book value		
At 31 October 2016	<u>1,084</u>	<u>1,084</u>
At 31 October 2015	<u>829</u>	<u>829</u>

5 Debtors

	2016 £ 000	2015 £ 000
Other debtors	206	148
Prepayments and accrued income	<u>1</u>	<u>2</u>
	<u>207</u>	<u>150</u>

Aberarder Wind Farm LLP

Notes to the Financial Statements (continued)

6 Creditors: Amounts falling due within one year

	2016 £ 000	2015 £ 000
Trade creditors	1,193	886
Accruals and deferred income	66	97
	<u>1,259</u>	<u>983</u>

7 Analysis of other amounts

	2016 £ 000	2015 £ 000
Money advanced to the LLP by the members by way of loan	<u>4</u>	<u>2</u>

8 Control

The company is controlled by Renewable Energy Systems Limited. The ultimate controlling party is the same as the controlling party.