

**Company Registration No. 07708636**

## **Goonhilly Limited**

**Annual Report and Financial Statements**

**For the year ended 31 December 2014**

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# **Goonhilly Limited**

## **Annual report and financial statements for the year ended 31 December 2014**

### **Contents**

<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Directors' responsibilities statement</b>	<b>3</b>
<b>Independent auditor's report</b>	<b>4</b>
<b>Profit and loss account</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Cash flow statement</b>	<b>8</b>
<b>Notes to the financial statements</b>	<b>9</b>

# **Goonhilly Limited**

## **Officers and professional advisers**

### **Directors**

C Reid

P Raftery

### **Bankers**

The Co-operative Bank

Balloon Street

Manchester

M60 4EP

### **Registered office**

2nd Floor

Edgeborough House

Upper Edgeborough Road

Guildford

Surrey

GU1 2BJ

### **Independent auditor**

Deloitte LLP

Chartered Accountants and Statutory Auditor

Global House

High Street

Crawley

RH10 1DL

# Goonhilly 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 year ended 31 December 2014.

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 can be found in note 1.

### Principal activity

The principal activity of the Company in the year under review was the operation of the 12MW wind farm at Goonhilly in Cornwall and this is expected to continue to be the principal activity of the Company.

### Results and dividends

The profit for the year after taxation was £784,973 (2013: £1,228,000).

During the year the directors approved and paid a dividend of £300,000 on 11 September 2014 (2013: £nil). Following the year end, a further interim dividend was paid for the year ended 31 December 2015 of £300,974 on 2 March 2015.

### Directors

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

C Reid

P Raftery

### Risks and uncertainties

The Company uses derivative financial instruments such as interest rate swaps to hedge its risks associated with interest rate fluctuations. At the date of approval of these financial statements, the cash flows are fully hedged for the duration of the loan. Hedge accounting has not been applied in these financial statements and derivatives are not included on the balance sheet at fair value.

### 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

6 May 2015

## **Goonhilly 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). 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.

## **Goonhilly Limited**

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

We have audited the financial statements of Goonhilly Limited for the year ended 31 December 2014 which comprise the Profit and loss account, the Balance sheet, the Cash flow statement and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

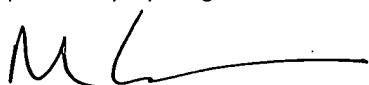
## **Goonhilly Limited**

### **Independent auditor's report to the members of Goonhilly 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 take advantage of the small companies exemption from preparing a Strategic report or in preparing the Director's report.



Matthew Coulson FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Crawley, United Kingdom  
6 May 2015

# Goonhilly Limited

## Profit and loss account

For the year ended 31 December 2014

	Notes	1 January 2014 to 31 December 2014 £	1 July 2012 to 31 December 2013 £
<b>Turnover</b>	2	3,291,959	5,184,250
Cost of sales		<u>(1,518,993)</u>	<u>(2,446,723)</u>
<b>Gross profit</b>		1,772,966	2,737,527
Administrative expenses		<u>(8,446)</u>	<u>(10,000)</u>
<b>Operating profit</b>	3	1,764,520	2,727,527
Interest payable and similar charges	4	<u>(847,257)</u>	<u>(1,400,817)</u>
<b>Profit on ordinary activities before taxation</b>		917,263	1,326,710
Tax charge on profit on ordinary activities	6	<u>(132,290)</u>	<u>(98,710)</u>
<b>Profit on ordinary activities after taxation</b>	13	<u><u>784,973</u></u>	<u><u>1,228,000</u></u>

All items in the above statement derive from continuing operations.

There are no further recognised gains and losses for the current financial year other than as stated in the profit and loss account and as a result no statement of total recognised gains and losses is given.



# Goonhilly Limited

## Balance sheet

As at 31 December 2014

	Notes	2014 £	2013 £
<b>Fixed assets</b>			
Tangible assets	7	<u>11,522,709</u>	<u>12,249,560</u>
<b>Current assets</b>			
Debtors	8	920,627	1,256,188
Restricted cash		1,021,847	1,020,293
Cash at bank and in hand		<u>1,328,031</u>	<u>779,679</u>
		3,270,505	3,056,160
<b>Creditors: amounts falling due within one year</b>	9	<u>(1,078,941)</u>	<u>(1,469,596)</u>
<b>Net current assets</b>		2,191,564	1,586,564
<b>Creditors: amounts falling due after more than one year</b>	10	(12,822,653)	(13,561,769)
<b>Provisions for liabilities</b>	11	(396,752)	(264,460)
<b>Net assets</b>		<u><u>494,868</u></u>	<u><u>9,895</u></u>
<b>Capital and reserves</b>			
Called-up share capital	12	1,000	1,000
Profit and loss account	13	493,868	8,895
<b>Shareholder's funds</b>	13	<u><u>494,868</u></u>	<u><u>9,895</u></u>

The financial statements of Goonhilly Limited, registered number 07708636 were approved by the board of directors and authorised for issue on 6 May 2015.



C Reid  
Director

# Goonhilly Limited

## Cash flow statement

For the year ended 31 December 2014

	Notes	1 January 2014 to 31 December 2014 £	1 July 2012 to 31 December 2013 £
<b>Net cash inflow from operating activities</b>	15	<u>2,376,333</u>	<u>4,215,964</u>
<b>Investing activities</b>			
Purchases of tangible fixed assets		-	(92,407)
<b>Net cash used in investing activities</b>		-	(92,407)
<b>Financing activities</b>			
Repayment of shareholder loans		-	(759,836)
Repayments of borrowings		(1,526,426)	(2,188,157)
Dividends paid		(300,000)	(1,392,558)
Movement in restricted cash		<u>(1,554)</u>	<u>(61,084)</u>
<b>Net cash outflow from financing activities</b>		<u>(1,827,980)</u>	<u>(4,401,635)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		548,352	(278,078)
Cash and cash equivalents at the beginning of the year / period		779,679	1,057,757
Cash and cash equivalents at the end of the year / period		<u><u>1,328,031</u></u>	<u><u>779,679</u></u>

# **Goonhilly Limited**

## **Notes to the financial statements For the year ended 31 December 2014**

### **1. Accounting policies**

Goonhilly Limited is a company incorporated in the United Kingdom under the Companies Act. 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.

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied consistently throughout the current and preceding financial year.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **Basis of preparation**

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 going concern assessment includes a formal review of covenant compliance for the life of the loan against the forecasts and there is sufficient headroom within the key variables before any breaches would arise.

#### **Turnover**

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

#### **Turnover recognition**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. 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.

# Goonhilly Limited

## Notes to the financial statements (continued) For the year ended 31 December 2014

### 1. Accounting policies (continued)

#### Turnover recognition (continued)

##### 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, LECs turnover

Renewable Obligation Certificates (ROCs) are issued to qualifying renewable generators under the terms of the generating stations 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.

Renewable energy generators who meet Customs & Excise conditions for exemption will be issued with Levy Exemption Certificates (LECs) for their generation. The LECs transfer along with the electricity and can be used by business consumers to claim levy exemption. These certificates carry a statutory value and are recognised at this value as generated.

#### 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.

Restricted cash amounts comprise of cash balances held with the banks that are not available to the Company. The funds are used to provide collateral against future debt service costs as part of the Company's finance facilities.

#### Accrued income

Accrued income represents accruals for electricity generation 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.

# Goonhilly Limited

## Notes to the financial statements (continued)

### For the year ended 31 December 2014

#### 1. 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.

##### **Operating leases**

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

##### **Bank borrowings**

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption are accounted for on an accruals basis in the profit and loss account using the effective interest method and are added to the carrying amount of the instrument to the extent they are not settled in the period which they arise.

##### **Borrowing costs**

Borrowing costs are expensed as incurred.

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

Transactions in foreign currencies 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.

##### **Derivative financial instruments**

The Company uses derivative financial instruments to reduce exposure to interest rate movements. The Company does not hold derivative financial instruments for speculative purposes. Hedge accounting has not been adopted in these financial statements and the derivatives are not included on the balance sheet at fair value, however the fair value is disclosed in note 17. The fair value is obtained through counterparty valuations as at the balance sheet date.

# Goonhilly Limited

## Notes to the financial statements (continued) For the year ended 31 December 2014

### 2. Turnover

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

### 3. Operating profit

	1 January 2014 to 31 December 2014 £	1 July 2012 to 31 December 2013 £
<b>Operating profit is stated after charging:</b>		
Depreciation (note 7)	726,852	1,090,132
Rentals under operating leases:		
Other operating leases	104,502	173,937
Auditor's remuneration:		
Audit fees	8,446	10,000
	<u>8,446</u>	<u>10,000</u>

### 4. Interest payable and similar charges

	1 January 2014 to 31 December 2014 £	1 July 2012 to 31 December 2013 £
Loan interest paid	774,609	1,271,021
Amortisation of issue costs	60,958	112,238
Bank charges	11,691	17,558
	<u>847,257</u>	<u>1,400,817</u>

### 5. Information regarding directors and employees

The Company has no employees (2013: Nil). No directors received any remuneration from the Company during the year (2013: Nil). Services are provided through an asset management agreement.

# Goonhilly Limited

## Notes to the financial statements (continued) For the year ended 31 December 2014

### 6. Tax charge on profit on ordinary activities

#### a) Tax charge on profit on ordinary activities

The tax charge is made up as follows:

	1 January 2014 to 31 December 2014 £	1 July 2012 to 31 December 2013 £
<b>Current tax</b>		
United Kingdom corporation tax at 21.50% (2013: 23.50%) based on the profit for the year	-	-
Adjustment in respect of prior periods	-	(178,500)
Total current tax credit	-	(178,500)
<b>Deferred tax</b>		
Deferred tax charge	197,044	280,630
Adjustment in respect of prior periods	(39,242)	(3,420)
Impact of change in tax rate	(25,512)	-
Total deferred tax charge (note 11)	132,290	277,210
Total tax in profit and loss	132,290	98,710

#### b) Factors affecting current tax charge

The tax assessed for the year is lower (2013: lower) than that resulting from applying the standard rate of corporation tax in the UK 21.50% (2013: 23.50%). The differences are explained below:

	1 January 2014 to 31 December 2014 £	1 July 2012 to 31 December 2013 £
Profit on ordinary activities before taxation	917,263	1,326,710
Theoretical tax at UK corporation tax rate	197,212	311,777
Effects of:		
Capital allowances in excess of depreciation	(197,212)	(311,777)
Adjustment in respect of prior periods	-	(178,500)
Total current tax	-	(178,500)

#### c) Factors which may affect future tax charges

Reductions in the UK corporation tax rate to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 31 December 2014 has been calculated based on the substantively enacted rates at the balance sheet date.

# Goonhilly Limited

## Notes to the financial statements (continued) For the year ended 31 December 2014

### 7. Tangible fixed assets

	Operating wind sites £
<b>Cost</b>	
At 1 January 2014	13,702,797
Additions	1
At 31 December 2014	<u>13,702,798</u>
<b>Depreciation</b>	
At 1 January 2014	1,453,237
Charge for year	726,852
At 31 December 2014	<u>2,180,089</u>
<b>Net book value</b>	
At 31 December 2014	<u>11,522,709</u>
At 31 December 2013	<u>12,249,560</u>

### 8. Debtors

	2014 £	2013 £
Prepayments and accrued income	802,166	1,181,003
VAT	118,461	75,185
	<u>920,627</u>	<u>1,256,188</u>

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

	2014 £	2013 £
Bank loans and overdrafts (note 10)	724,976	653,351
Trade creditors	42,440	506,268
Accruals	302,010	300,461
Other creditors	9,515	9,516
	<u>1,078,941</u>	<u>1,469,596</u>



# Goonhilly Limited

## Notes to the financial statements (continued) For the year ended 31 December 2014

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

	2014 £	2013 £
<b>Bank loans</b>		
Between one and two years	766,786	709,130
Between two and five years	2,702,337	2,503,412
Over five years	9,353,530	10,349,227
	<u>12,822,653</u>	<u>13,561,769</u>

The borrowing facilities have a term which runs until 30 September 2026 and carry interest at 6 month LIBOR plus 2.8%. The exposure to movements in interest rates has been hedged using interest rate swap contracts (note 17). The facilities are secured against the tangible fixed assets of the Company.

### 11. Provision for liabilities

	2014 £	2013 £
Deferred tax liability	<u>(396,752)</u>	<u>(264,460)</u>
<b>The gross movement on the deferred tax account is:</b>		
Balance at 1 January / 1 July 2012	(264,460)	12,749
Current year / period movement through profit & loss	(197,044)	(311,777)
Adjustment in respect of prior periods	39,242	3,420
Impact of change in tax rate	25,510	31,148
Balance at 31 December	<u>(396,752)</u>	<u>(264,460)</u>
<b>Deferred tax is provided as follows:</b>		
Depreciation in advance of capital allowances	<u>(396,752)</u>	<u>(264,460)</u>

### 12. Called-up share capital

	2014 £	2013 £
<b>Allotted, called-up and fully paid</b>		
1,000 Ordinary shares of £1 each at par	<u>1,000</u>	<u>1,000</u>

### 13. Reconciliation of shareholder's funds and movement on reserves

	Called-up share capital £	Profit and loss account £	2014 Total £	2013 Total £
At 1 January / 1 July 2012	1,000	8,895	9,895	174,453
Profit for the year	-	784,973	784,973	1,228,000
Dividends	-	(300,000)	(300,000)	(1,392,558)
At 31 December	<u>1,000</u>	<u>493,868</u>	<u>494,868</u>	<u>9,895</u>

# Goonhilly Limited

## Notes to the financial statements (continued) For the year ended 31 December 2014

### 14. Dividends per share

	2014 £	2013 £
<b>Declared and paid during the year</b>		
Equity dividends on ordinary shares		
Interim dividends for 2014 of £300 (2013: £1,393) per ordinary share	<u>300,000</u>	<u>1,392,558</u>

On 2 March 2015, a further interim dividend was paid for the year ended 31 December 2015 of £301 per ordinary share.

### 15. Net cash inflow from operating activities

	1 January 2014 to 31 December 2014 £	1 July 2012 to 31 December 2013 £
Operating profit	1,764,520	2,727,527
Adjustments for:		
Depreciation	726,852	1,090,132
Decrease / (increase) in debtors	335,561	(63,892)
(Decrease) / increase in creditors	<u>(450,600)</u>	<u>462,197</u>
	<u>2,376,333</u>	<u>4,215,964</u>

### 16. Analysis and reconciliation of net debt

	1 January 2014 £	Cash flow £	Other non- cash changes £	31 December 2014 £
Cash at hand and in bank and restricted cash	<u>1,799,972</u>	<u>549,906</u>	<u>-</u>	<u>2,349,878</u>
Debt due after 1 year	(13,561,769)	-	739,116	(12,822,653)
Debt due within 1 year	<u>(653,351)</u>	<u>667,491</u>	<u>(739,116)</u>	<u>(724,976)</u>
	<u>(14,215,120)</u>	<u>667,491</u>	<u>-</u>	<u>(13,547,629)</u>
Net debt	<u>(12,415,148)</u>	<u>1,217,396</u>	<u>-</u>	<u>(11,197,752)</u>
			2014 £	2013 £
Increase / (decrease) in cash in the year			549,906	(216,995)
Cash outflow from decrease in debt			<u>667,491</u>	<u>776,584</u>
Decrease in net debt in year			1,217,396	559,589
Net debt at 1 January			<u>(12,415,148)</u>	<u>(12,974,737)</u>
Net debt at 31 December			<u>(11,197,752)</u>	<u>(12,415,148)</u>

# Goonhilly Limited

## Notes to the financial statements (continued) For the year ended 31 December 2014

### 17. Derivatives not included at fair value

The Company has derivatives which are not included at fair value in the financial statements.

	2014 Principal £	2014 Fair value £	2013 Principal £	2013 Fair value £
Interest rate swap contract	<u>14,032,714</u>	<u>(994,686)</u>	<u>14,758,148</u>	<u>(75,060)</u>

An interest rate swap contract with a nominal value of £14,032,714 (2013: £14,758,148) has fixed interest payments at a rate of 2.8% for the 15 year period of the debt, ending on 30 September 2026 and has floating interest receipts at 6 month LIBOR which gives a total fixed interest rate of 5.5%.

### 18. Obligations under operating leases

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

	2014 £	2013 £
Expiry date		
- after five years	<u>95,000</u>	<u>95,000</u>

### 19. Related party disclosures

The Company paid dividends of £300,000 (2013: £1,392,558) to the parent company.

The Company did not enter into any other transactions with related parties.

### 20. Ultimate parent undertaking

The Company is a wholly owned subsidiary of Blackrock Renewables UK Limited, a company registered in England & Wales. The financial statements of Blackrock Renewables UK Limited are available from the registered office given on page 1.

The ultimate controlling party is considered to be BlackRock NTR Renewable Power Fund which is a limited partnership.