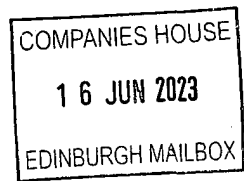


Registered No: SC579904



Broken Cross Wind Farm Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022



Broken Cross Wind Farm Limited

Contents

Company Information	2
Directors' Report	3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5
Profit and Loss Account	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11

Broken Cross Wind Farm Limited

Company Information

Directors	JF Milligan CA McGregor
Registered office	Ground Floor West Suite Prospect House 5 Thistle Street Edinburgh EH2 1DF
Independent auditor	BDO LLP City Point 65 Haymarket Terrace Edinburgh EH12 5HD.

Broken Cross Wind Farm Limited

Directors' Report for the Year Ended 31 December 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

The Company prepares financial statements using FRS 102 (Financial Reporting Standard 102) and has taken advantage of certain disclosure exemptions allowed under this standard.

Directors of the Company

The directors who served during the year and post year end to the date of signing this report were:

G MacDougall (resigned 3 April 2023)

J Milligan

C McGregor (appointed 1 March 2023)

Principal Activity

The principal activity of the Company is the construction of a wind farm.

Going Concern

In making their assessment of going concern the directors have considered the progress of construction of the wind farm, future projections of financial performance over the life of the wind farm and events subsequent to the balance sheet date. Construction work on the project continued on schedule during 2022 with the projected performance of the wind farm profitable over its useful life.

The Company is reliant upon the loan provided by BayWa r.e. UK Limited, the immediate parent company, to continue the construction of the wind farm and ultimately is also reliant on the support of BayWa r.e. AG as it provides funding to BayWa r.e. UK Limited. This support has been confirmed in writing by all of the aforementioned companies. BayWa r.e. UK Limited has given assurance that it will not seek repayment of the loan unless the underlying value of the investment has been realised. Consequently, the financial statements have been prepared on a going concern basis.

Non-adjusting post balance sheet events

Following the start of the conflict between Russia and Ukraine in February, the United Kingdom announced a wide variety of financial and trade sanctions on the supply of goods and services to Russia. The directors have reviewed all business operations and do not believe that the business undertakes any operations which will be subject to these sanctions nor do they believe the business case will be materially impacted by the conflict.

Auditor

BDO LLP were appointed auditor of the Company during the prior period.

Under section 487(2) of the Companies Act 2006, BDO LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

In accordance with Section 418, each of the persons who is a director at the date of approval of this annual report confirms that:

- (a) so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (b) each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Special provisions

This report has been prepared in accordance with the provisions applicable to companies within part 15 of the Companies Act 2006 and therefore a Strategic Report has not been prepared.

The financial statements were approved by the Board of Directors on Jun 15, 2023

signed on its behalf by:

John Milligan
John Milligan (Jun 15, 2023 15:10 GMT+1)

.....
Mr J Milligan
Director

Broken Cross Wind Farm Limited

Statement of Directors' Responsibilities

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).

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 year. 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; 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.

Broken Cross Wind Farm Limited

Independent Auditor's Report to The Members of Broken Cross Wind Farm Limited

Opinion on the 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 2022 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.

We have audited the financial statements of Broken Cross Wind Farm Limited ("the Company") for the year ended 31 December 2022 which comprise Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to The Members of Broken Cross Wind Farm Limited (Continued)

Other Companies Act 2006 reporting

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 material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Broken Cross Wind Farm Limited

Independent Auditor's Report to The Members of Broken Cross Wind Farm Limited (Continued)

The procedures that we designed and executed included:

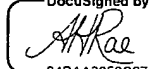
- performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively;
- assessing the design and implementation of the control environment to identify areas of material weakness to focus the design of our audit testing;
- determining whether the accounting policies and presentation adopted in the financial statements are in accordance with 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);
- identifying whether there are instances of potential bias in areas with significant degrees of judgement such as the carrying value of assets;
- addressing the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in accounting estimates are indicative of a potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business;
- vouching balances and reconciling items in key control account reconciliations to supporting documentation as at 31 December 2022; and
- carrying out detailed testing, on a sample basis, of transactions and balances agreeing to appropriate documentary evidence to verify the completeness, existence and accuracy of the reported financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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.

DocuSigned by:

34BAA3058C6741A...

Alastair Rae (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Edinburgh, UK
Date 16 June 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Broken Cross Wind Farm Limited

Profit and Loss Account for the Year Ended 31 December 2022

		Year ended 31 December 2022 £000	Period ended 31 December 2021 £000
	Note		
Administrative expenses		-	-
Operating loss	2	-	-
Interest payable	3	-	(23)
Loss before taxation		-	(23)
Tax on result	4	-	-
Loss for the financial year		-	(23)

The above results were derived from continuing operations.

There is no other comprehensive income in the year or the prior period.

Broken Cross Wind Farm Limited

Balance Sheet as at 31 December 2022

	Note	31 December 2022		31 December 2021	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	5		13,754		1,309
Debtors due greater than one year	6		<u>-</u>		<u>149</u>
			13,754		1,458
Current assets					
Debtors due within one year	7	<u>1,445</u>		<u>-</u>	
		1,445		-	
Creditors: amounts falling due within one year					
Trade and other creditors	8	(2,553)		(10)	
Loans from related parties	9	<u>(12,669)</u>		<u>(1,471)</u>	
		(15,222)		(1,481)	
Net current liabilities			<u>(13,777)</u>		<u>(1,481)</u>
Net liabilities			<u>(23)</u>		<u>(23)</u>
Capital and reserves					
Called up share capital	10		-		-
Profit and loss account			<u>(23)</u>		<u>(23)</u>
Total shareholders' deficit			<u>(23)</u>		<u>(23)</u>

Approved by the Board on Jun 15, 2023

and signed on its behalf by:

John Milligan

John Milligan (Jun 15, 2023 15:10 GMT+1)

Mr J Milligan
Director

Registered No: SC579904

Broken Cross Wind Farm Limited

Statement of Changes in Equity for the Year Ended 31 December 2022

	Called up share capital	Profit and loss account	Total shareholders' deficit
	£000	£000	£000
At 1 April 2021	-	-	-
Total comprehensive loss	-	(23)	(23)
At 31 December 2021	-	(23)	(23)

	Called up share capital	Profit and loss account	Total shareholders' deficit
	£000	£000	£000
At 1 January 2022	-	(23)	(23)
Total comprehensive loss	-	-	-
At 31 December 2022	-	(23)	(23)

Broken Cross Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

1. Accounting policies

General information

The Company is a private company limited by share capital incorporated and domiciled in Scotland.

The address of its registered office is:

Ground Floor West Suite
Prospect House
5 Thistle Street
Edinburgh
EH2 1DF

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 periods presented, unless otherwise stated.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The Company has voluntarily adopted United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102. These financial statements have been prepared in accordance with the Companies Act 2006 as applicable to companies using FRS 102, and they have been prepared under the historical cost convention.

The financial statements are denominated in Sterling as this is the functional currency of the Company. All amounts in the financial statements have been rounded to the nearest £1,000.

The comparative information in the financial statements relates to a 9-month period.

Summary of disclosure exemptions

The Company is a wholly owned subsidiary of BayWa AG and has taken advantage of the exemption conferred by section 33 of FRS102 'Related Party Disclosures' not to disclose transactions with BayWa AG or other wholly owned subsidiaries within the group. The Company has also taken advantage of the exemptions conferred by section 7 of FRS 102 'Statement of Cash Flows' not to disclose a statement of cash flows, section 11 paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48 (a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c) relating to financial instruments disclosures, section 12 paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A relating to other financial instruments.

Where required, equivalent disclosures are given in the Group financial statements of BayWa AG. The Group financial statements of BayWa AG are available to the public and can be obtained from the directors at Arabellastr. 4, 81925 Munich, Germany.

Going concern

In making their assessment of going concern the directors have considered the progress of construction of the wind farm, future projections of financial performance over the life of the wind farm and events subsequent to the balance sheet date. Construction work on the project continued throughout on schedule during 2022 with the projected performance of the wind farm profitable over its useful life.

The Company is reliant upon the loan provided by BayWa r.e. UK Limited, the immediate parent company, to continue the construction of the wind farm and ultimately is also reliant on the support of BayWa r.e. AG as it provides funding to BayWa r.e. UK Limited. This support has been confirmed in writing by all of the aforementioned companies. BayWa r.e. UK Limited has given assurance that it will not seek repayment of the loan unless the underlying value of the investment has been realised. Consequently, the financial statements have been prepared on a going concern basis.

Interest

During the development phase interest payable is recognised on a time-apportioned basis as it accrues and is charged to the Profit and Loss Account.

During the construction phase interest payable is recognised on a time-apportioned basis as it accrues and capitalised in the asset under construction.

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

1. Accounting policies continued

Foreign currency transactions and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the dates of the individual transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rate ruling at the reporting date are recognised in the Profit and Loss Account. Non-monetary assets and liabilities that are not carried at fair value are not subsequently restated and are carried at the rate of exchange at the date they are acquired.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Income tax is recognised in the Company's Profit and Loss Account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are only recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Tangible assets

'Assets under construction' relates to costs which are directly attributable to the development and construction of windfarm sites, and which have a reasonable expectation of obtaining the consents required for constructing a windfarm, and to the extent that those costs do not exceed expected recoverable amounts, are treated as work in progress and not expensed. The main aspects to address during the initial development stage of a windfarm are environmental impact assessments, planning consent and early grid connection analyses (including feasibility and applications). Once a site has achieved planning consent, the preconstruction stage begins and consists of the selection of appropriate turbines, the completion of designs for the layout of the site (both civil and electrical), and the grid connection.

Financing costs which are directly attributable to the construction of wind farms are capitalised as part of the cost of those assets. Capitalisation ceases when the asset is fully operational.

Depreciation commences when the asset is ready for its intended use. The residual values, if not insignificant, and remaining useful lives are reassessed at each reporting date. When parts of an item of tangible fixed assets have different useful lives, those components are accounted for as separate items of tangible fixed assets. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds received with the carrying amount and are recognised with other income/(expenditure) net in the Profit and Loss Account.

Other debtors

Other debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, 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.

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Broken Cross Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

1. Accounting policies continued

Reserves

The Company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The Profit and Loss Account represents cumulative profits or losses, net of dividends paid and other adjustments.

Operating leases

Leases where the Company is the lessee, and the lessor maintains a significant portion of the risks and rewards related to the ownership of the fixed asset are recorded as operating leases. Fixed lease payments are recognised as an expense in the Profit and Loss Account on a straight-line basis over the life of the lease. Where lease payments are contingent, for example on power output, the rent is recognised as an expense in the Profit and Loss Account on an amortised costs basis when the contingency is resolved, for example when the level of power output in the period is known.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Recoverability of tangible assets:

Management have made key assumptions regarding wind yield assessments, prices achievable under the future power purchase agreement and the UK inflationary environment which directly impact the future economic benefits to be derived from the tangible fixed assets. Changes in these assumptions may affect the carrying value of tangible fixed assets. Management expect the future economic benefits that will result from the use of the tangible fixed assets will exceed the cost and thus the costs of the tangible fixed assets are recoverable.

2. Operating loss

The directors received no remuneration for their duties in respect of the Company. The directors are remunerated by BayWa r.e. UK Limited for their duties in respect to group companies. There are no other employees in the Company. In the prior period the directors received no remuneration for their duties in respect of the Company, and there were no other employees.

The audit fee for the Company is borne by the immediate parent company.

3. Interest payable

	Year ended 31 December 2022 £000	Period ended 31 December 2021 £000
Interest payable on loans from group undertakings	-	23

4. Tax on result

Tax charged in the Profit and Loss Account

	Year ended 31 December 2022 £000	Period ended 31 December 2021 £000
Total tax charge	-	-

Broken Cross Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

4. Tax on result (continued)

The charge shown above can be reconciled to the loss in the Profit and Loss Account as follows:

	Year ended 31 December 2022 £000	Period ended 31 December 2021 £000
Loss on ordinary activities before taxation	-	(23)
Corporation tax at standard rate 19% (2021: 19%)	-	4
Losses for which no tax asset recognised	-	(4)
Total tax charge	-	-

5. Tangible assets

	Assets under construction £000
Cost	
At 1 January 2022	1,309
Additions	12,445
At 31 December 2022	13,754
Carrying amount	
At 31 December 2022	13,754
At 31 December 2021	1,309

Interest expenses of £317k (2021: £nil) on loans used to purchase the assets under construction were capitalised to assets under construction at rates equal to the rates payable on the loans in the year.

6. Debtors due greater than one year

	31 December 2022 £000	31 December 2021 £000
Grid security deposit	-	149

7. Debtors due within one year

	31 December 2022 £000	31 December 2021 £000
Grid security deposit	216	-
Prepayments	105	-
VAT recoverable	1,124	-
	1,445	-

8. Trade and other creditors

	31 December 2022 £000	31 December 2021 £000
Trade creditors	9	-
Accrued expenses	2,544	10
	2,553	10

Broken Cross Wind Farm Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

9. Loans from related parties

	31 December 2022 £000	31 December 2021 £000
Loan from related party	12,669	1,471

At the balance sheet date, the Company has an amount outstanding to BayWa r.e UK Limited of £12,669k (2021: £1,471k). The Company has been granted a loan facility by BayWa r.e UK Limited of up to £12,013k for the construction of the wind farm, on which interest is payable at 7%. The loan is repayable on demand or in full in April 2024. In February 2023, the agreement was amended to increase the maximum loan amount of £60,270k. BayWa r.e. UK Limited has confirmed that it will provide financial support to the Company for a period in excess of 12 months from the date of approval of these financial statements to the funding level required.

10. Called up share capital

Allotted, called up and fully paid

	31 December 2022 No.	31 December 2022 £000	31 December 2021 No.	31 December 2021 £000
Ordinary shares of £1 each	1	-	1	-

11. Obligations under leases and hire purchase contracts

Operating leases

The Company leases the land on which the wind farm is being constructed under non-cancellable operating lease arrangements.

Rent of £1 is due per annum up to the generation of electricity, thereafter further rental payments are due at a minimum per megawatt hour of electricity sold (index linked) or % of Gross Income depending on the Average Power Sales Price.

Under the terms of the lease agreements, the Company is obligated at the end of the lease (which is of 28-year duration) to remove all wind turbines, substation and associated plant machinery, turbine base, underground cables and access roads.

The total value of minimum lease payments is as follows:

	2022 £000	2021 £000
Within one year	1	-
In two to five years	351,824	-
Over five years	2,619,566	-
	<u>2,971,391</u>	<u>-</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £nil (2021: £nil). No payments under the lease during the year have been capitalised as part of the cost of the assets under construction.

12. Capital commitments

The Company had contracted capital commitments as at 31 December 2022 for which no provision has been made in these financial statements totalling £36,825k (2021: £nil).

13. Ultimate parent undertaking and controlling party

The Company's immediate parent company is BayWa r.e UK Limited, company number 07538870; incorporated in England, which owns 100% of the share capital of the Company.

The Company's ultimate and most senior parent entity producing publicly available financial statements is BayWa AG, a Company incorporated in Germany. These financial statements are available upon request from Arabellastr. 4, 81925 Munich, Germany. BayWa AG is the smallest and largest group of financial statements to consolidate these results.