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**Bessy Bell Windfarm (N.I.)  
Limited**

**Directors' report and  
financial statements**

**Year ended 31 March 2009**

*Registered number: NI 48447*

# Bessy Bell Windfarm (N.I.) Limited

## Directors' report and financial statements

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# Bessy Bell Windfarm (N.I.) Limited

## Directors and other information

### **Directors**

F. McGregor Alexander  
D. Flynn (Irish)  
A. Greer  
S. Heyes  
J. Smith

### **Secretary**

Crescent Trust Co.

### **Registered office**

2<sup>nd</sup> Floor  
83 – 85 Great Victoria Street  
Belfast  
Northern Ireland  
BT2 7AF

### **Solicitors**

Cleaver Fulton Rankin Solicitors  
50 Bedford Street  
Belfast  
BT2 7FW

### **Bankers**

Ulster Bank  
Belfast City Branch  
11-16 Donegal Square East  
Belfast  
BT1 5UB

### **Auditor**

KPMG  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

# Bessy Bell Windfarm (N.I.) Limited

## Directors' report

The directors submit their report and audited financial statements of the company for the year ended 31 March 2009.

### **Principal activities, business review (including principal risks and uncertainties) and future developments**

During the year the company completed the construction of its wind farm and is now involved in the generation of renewable electricity from its 9 MW wind farm in Bessy Bell, Co. Tyrone. All sales of electricity are made to a fellow group company, Airtricity Energy Supply (NI) Ltd.

The principal risks facing the company are lower wind speeds than anticipated resulting in less electricity generation, no off-take for electricity produced resulting in lower sales and technical issues with plant and machinery resulting in down-time of turbines. To mitigate against electricity off-take risk, purchase price agreements are in place which guarantee sales of electricity. To mitigate against technical risk, the company has also put in place a team of experienced operators who are responsible for monitoring wind farm performance and maintaining adequate stocks of essential parts.

### **Results and dividends**

During the year ended 31 March 2009, the company incurred a profit for the financial year of £953,000 (2008: £10,000 loss). The balance sheet at 31 March 2009 is set out on page 10 and indicates net assets of £943,000 (2008: £10,000 net liabilities).

### **Directors and secretary**

The following Directors resigned from office during the year:

<b>Director</b>	<b>Resignation date</b>
P. Dowling	29 September 2008

The following Directors were appointed during the year:

<b>Director</b>	<b>Appointment date</b>
S. Heyes	29 September 2008
J. Smith	29 September 2008

Cypher Services Limited resigned as the company secretary on 3<sup>rd</sup> November 2008 and Crescent Trust Co. was appointed as and from that date.

The Directors and company secretary who were in office at the date of the approval of the financial statements are those listed on page 1. In accordance with the Articles of Association of the company, the Directors are not required to retire by rotation.

### **Post balance sheet events**

There have been no significant events since the balance sheet date.

# Bessy Bell Windfarm (N.I.) Limited

## Directors' report *(continued)*

### **Political and charitable donations**

The company did not make any political or charitable donations during the financial year.

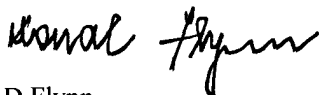
### **Going concern**

Having made enquiries, the directors have formed a judgement, at a time of approving the financial statements, that there is reasonable expectation that the company as a whole has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

### **Auditor**

In accordance with Section 392(1) of the Companies (Northern Ireland) Order, 1986, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the board



D.Flynn  
*Director*



S. Heyes  
*Director*

22 July 2009

# Bessy Bell Windfarm (N.I.) 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 UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

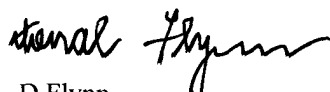
In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies (Northern Ireland) Order, 1986. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are also responsible for preparing a Directors' Report that complies with the Companies (Northern Ireland) Order, 1986.

On behalf of the board

  
D. Flynn  
Director

  
S. Heyes  
Director



**KPMG**  
**Chartered Accountants**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
Ireland

## **Independent auditor's report to the members of Bessy Bell Windfarm (N.I.) Limited**

We have audited the financial statements of Bessy Bell Windfarm (N.I.) Limited for the year ended 31 March 2009 which comprises the profit and loss account, balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 243 of the Companies (Northern Ireland) Order, 1986. 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**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Northern Ireland) Order, 1986. We also report to you whether, in our opinion, the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.



Independent auditor's report to the members of Bessy Bell Windfarm (N.I.)  
Limited (*continued*)

**Basis of audit opinion** (*continued*)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies (Northern Ireland) Order, 1986; and
- the information given in the Directors' Report is consistent with the financial statements.

*Chartered Accountants  
Registered Auditor*

*22 July 2009*



# Bessy Bell Windfarm (N.I.) Limited

## Statement of accounting policies

*for the year ended 31 March 2009*

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

### **Basis of preparation**

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention are stated in Pound Sterling (£), rounded to the nearest thousand.

The financial statements cover the year ended 31 March 2009. The prior period comparatives cover the year ended 31 March 2008.

### **Cash flow statement**

The company is exempt from the requirements of FRS 1 '*Cashflow Statements*' (*revised*) to include a cash flow statement as part of its financial statements because the company is a wholly owned subsidiary of Scottish and Southern Energy plc, which publishes a consolidated cash flow statement.

### **Tangible fixed assets**

Tangible fixed assets are stated at original cost, net of accumulated depreciation and any provisions for impairment.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life. The useful lives currently used are as follows:

Operating wind farms	20 years
Operating wind farm equipment	2 years

### **Turnover**

Turnover consists of sales of renewable energy to fellow group companies, exclusive of Value Added Tax together with revenue earned under the Renewable Obligation Certificates ("Rocs") regime. Electricity sales are based on meter readings and include an estimate of the fair value of units supplied between the date of the last meter reading and period end. "ROCs" revenue is based on units generated during the period times estimated selling price.

### **Related party transactions**

The company is availing of the exemption under FRS 8 '*Related Party Disclosures*', whereby as it is a wholly owned subsidiary undertaking of Scottish and Southern Energy plc, it is not disclosing transactions with any group undertakings which are consolidated in the financial statements of Scottish and Southern Energy plc.

### **Taxation**

Current tax, including UK corporation and foreign tax, is provided on the company's taxable profits at amounts expected to be paid (or recovered) using the tax rates and laws enacted or substantially enacted by the balance sheet date.

# Bessy Bell Windfarm (N.I.) Limited

## Statement of accounting policies *for the year ended 31 March 2009*

### **Taxation** *(continued)*

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable profits from which future reversals of the underlying timing differences can be deducted.

# Bessy Bell Windfarm (N.I.) Limited

## Profit and loss account for the year ended 31 March 2009

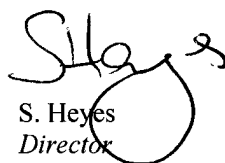
	Notes	Year ended 31 March 2009 £'000	Year ended 31 March 2008 £'000
<b>Turnover</b> – continuing operations	2	<b>1,998</b>	-
Cost of sales		<b>(668)</b>	-
		<hr/>	<hr/>
<b>Operating profit</b> – continuing operations		<b>1,330</b>	-
Other operating income / (expense)		<b>4</b>	(14)
		<hr/>	<hr/>
<b>Profit / (loss) on ordinary activities before taxation</b>		<b>1,334</b>	(14)
Tax on profit / (loss) on ordinary activities	4	<b>(381)</b>	4
		<hr/>	<hr/>
<b>Profit / (loss) for the financial year</b>	9	<b>953</b>	(10)
		<hr/>	<hr/>

The company had no recognised gains or losses in the financial year or the preceding financial year other than those dealt with in the profit and loss account and accordingly, no statement of total recognised gains and losses has been presented.

On behalf of the board



D.Flynn  
Director



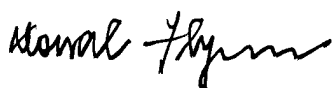
S. Heyes  
Director

# Bessy Bell Windfarm (N.I.) Limited

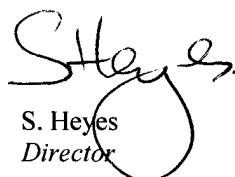
## Balance sheet as at 31 March 2009

	<i>Note</i>	<b>31 March 2009 £'000</b>	<b>31 March 2008 £'000</b>
<b>Fixed assets</b>			
Tangible assets	5	12,691	9,439
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	6	1,197	576
Cash at bank and in hand		1,119	-
		<hr/>	<hr/>
		2,316	576
<b>Creditors: amounts falling due within one year</b>	7	(14,064)	(10,025)
		<hr/>	<hr/>
<b>Net current liabilities</b>		(11,748)	(9,449)
		<hr/>	<hr/>
<b>Net assets / (liabilities)</b>		943	(10)
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	8	-	-
Profit and loss		943	(10)
		<hr/>	<hr/>
<b>Shareholders' funds/(deficit)</b>	9	943	(10)
		<hr/>	<hr/>

On behalf of the board



D.Flynn  
Director



S. Heyes  
Director

# Bessy Bell Windfarm (N.I.) Limited

## Notes

*forming part of the financial statements*

### **1 Ownership and operations**

The company is a wholly owned subsidiary of Airtricity Developments (UK) Limited, a company incorporated in the UK.

The company's ultimate parent undertaking is Scottish and Southern Energy Plc, registered in the United Kingdom. The largest company in which the results of the company are consolidated is that headed by Scottish and Southern Energy Plc. The consolidated financial statements of Scottish and Southern Energy Plc are available to the public and may be obtained from its registered office at Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ.

No other company financial statements include the results of the company.

The company is involved in the generation of renewable electricity from its 9 MW wind farm in Bessy Bell, Co. Tyrone. All sales of electricity are made to a fellow group company, Airtricity Limited.

### **2 Turnover**

The company's turnover, all of which is derived from the sale of renewable energy to Airtricity Limited, a fellow subsidiary of Scottish and Southern Energy plc, arose in the Republic of Ireland.

### **3 Statutory and other information**

Depreciation charged during the year was £554,000 (2008: £Nil).

Auditor's remuneration and all other expenses have been borne by the parent company.

None of the directors received any emoluments in respect of fees or services to the company in the year ended 31 March 2009 (2008: £Nil).

The company had no employees during the year (2008: Nil).

# Bessy Bell Windfarm (N.I.) Limited

## Notes (continued)

### 4 Taxation

	Year ended 31 March 2009 £'000	Year ended 31 March 2008 £'000
<b>Current taxation</b>		
Current tax credit	(265)	(4)
Prior year under provision	4	-
<b>Deferred taxation</b>		
Origination and reversal of timing differences	642	-
<b>Tax charge/(credit) on loss on ordinary activities</b>	<b>381</b>	<b>(4)</b>

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	Year ended 31 March 2009 £'000	Year ended 31 March 2008 £'000
Profit/(loss) on ordinary activities before tax	1,334	(14)
Tax charge/(credit) on loss on ordinary activities at standard UK corporation tax rate of 28% (2008: 30%)	373	(4)
<i>Effect of:</i>		
Capital allowances in excess of depreciation	(493)	-
Deductible expenditure capitalised	(141)	-
Other timing differences	(4)	-
Current tax charge/(credit) for year	(265)	(4)
<b>Deferred taxation:</b>	<b>2009 £'000</b>	<b>2008 £'000</b>
At beginning of year	-	-
Change in the year	642	-
At end of year	642	-

# Bessy Bell Windfarm (N.I.) Limited

Notes (continued)

<b>5 Tangible assets</b>	<b>Operating wind farms £'000</b>	<b>Operating wind farm equipment £'000</b>	<b>Assets in construction £'000</b>	<b>Total £'000</b>
<i>Cost</i>				
At beginning of year	-	-	9,439	9,439
Additions	-	-	3,806	3,806
Transfers	12,417	828	(13,245)	-
<b>At end of year</b>	<b>12,417</b>	<b>828</b>	<b>-</b>	<b>13,245</b>
<i>Accumulated depreciation</i>				
At beginning of year	-	-	-	-
Charge for the year	(438)	(116)	-	(554)
<b>At end of year</b>	<b>(438)</b>	<b>(116)</b>	<b>-</b>	<b>(554)</b>
<i>Net book value</i>				
<b>At 31 March 2009</b>	<b>11,979</b>	<b>712</b>	<b>-</b>	<b>12,691</b>
At 31 March 2008	-	-	9,439	9,439

<b>6 Debtors</b>	<b>31 March 2009 £'000</b>	<b>31 March 2008 £'000</b>
Trade debtors	930	-
Other debtors and prepayments	2	-
VAT recoverable	-	576
Amounts due from group companies	265	-
	<b>1,197</b>	<b>576</b>

# Bessy Bell Windfarm (N.I.) Limited

## Notes (continued)

<b>7 Creditors:</b> amounts falling due within one year	<b>31 March 2009 £'000</b>	<b>31 March 2008 £'000</b>
Trade creditors	58	-
Accruals and deferred income	883	-
Amounts due to group companies	12,427	10,025
VAT payable	4	-
Other creditors	50	-
Deferred tax (note 4)	642	-

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	<b>14,064</b>	<b>10,025</b>
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<b>8 Called up share capital</b>	<b>31 March 2009 £'000</b>	<b>31 March 2008 £'000</b>
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### *Authorised*

100,000 ordinary shares of £1 each	<b>100</b>	<b>100</b>
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### *Allotted, called up and fully paid*

1 ordinary share of £1	-	-
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## **9 Reconciliation of movement in profit and loss account and shareholders' funds**

	<b>Profit and loss account 31 March 2009</b>	<b>Shareholders' funds 31 March 2009</b>	<b>Profit and loss account 31 March 2008</b>	<b>Shareholders' deficit 31 March 2008</b>
Balance at beginning of year	(10)	(10)	-	-
Profit/(loss) for the financial year	953	953	(10)	(10)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at end of year	943	943	(10)	(10)

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## **10 Capital commitments**

At 31 March 2009, the company had capital commitments of £0.1m (2008: £3.1m).

## **11 Approval of financial statements**

The directors approved these financial statements on 22 July 2009.