



# Financial statements Aikengall Community Wind Company Limited

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**For the period from 18 December 2006 to 30 November 2007**



## Officers and professional advisers

<b>Company registration number</b>	SC313596
<b>Registered office</b>	Edinburgh Quay 133 Fountainbridge Edinburgh Midlothian EH3 9AG
<b>Directors</b>	D A Wood R M H Wood
<b>Secretary</b>	R M H Wood
<b>Solicitors</b>	Tods Murray LLP Edinburgh Quay 133 Fountainbridge Edinburgh Midlothian EH3 9AG
<b>Auditor</b>	Grant Thornton UK LLP Chartered Accountants Registered Auditors 1st Floor Royal Liver Building Liverpool L3 1PS

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## Report of the directors

The directors present their report and the financial statements of the company for the period from 18 December 2006 to 30 November 2007

### **Principal activity**

The company was incorporated on 18 December 2006 and the accounting reference date was shortened to 30 November 2007. The principal activity of the company during the period was that of the development and operation of community renewable energy projects

### **Directors**

The directors who served the company during the period were as follows

D A Wood  
R M H Wood  
Reynard Nominees Limited  
TM Company Services Limited

D A Wood was appointed as a director on 19 December 2006  
R M H Wood was appointed as a director on 19 December 2006  
Reynard Nominees Limited was appointed as a director on 18 December 2006  
TM Company Services Limited was appointed as a director on 18 December 2006

Reynard Nominees Limited retired as a director on 19 December 2006  
TM Company Services Limited retired as a director on 19 December 2006

### **Directors' responsibilities**

The directors are responsible for preparing the Report of the Directors 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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,

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 the financial statements comply with the Companies Act 1985. 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

In so far as the directors are aware

there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

**Auditor**

Grant Thornton UK LLP were appointed as auditors on 13 August 2008. A resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

**Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

ON BEHALF OF THE BOARD



R M H Wood  
Director

*26 September* 2008



## Report of the independent auditor to the members of Aikengall Community Wind Company Limited

We have audited the financial statements of Aikengall Community Wind Company Limited for the period from 18 December 2006 to 30 November 2007 which comprise the accounting policies, profit and loss account, balance sheet and notes 1 to 12. 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 235 of the Companies Act 1985. 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 Report of the Directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

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 Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of 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.

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.

# Report of the independent auditor to the members of Aikengall Community Wind Company Limited (continued)

## Opinion

In our opinion

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 November 2007 and of its loss for the period then ended,  
the financial statements have been properly prepared in accordance with the Companies Act 1985,  
and  
the information given in the Report of the Directors is consistent with the financial statements

*Grant Thornton UK LLP*

GRANT THORNTON UK LLP  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
LIVERPOOL

*22 September* 2008

## Accounting policies

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

### **Fixed assets**

All fixed assets are initially recorded at cost

No depreciation is charged on the plant and machinery during the period of construction

### **Financial instruments**

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 entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.



## Profit and loss account

	Note	Period from 18 Dec 06 to 30 Nov 07 £
Turnover		—
Other operating charges	1	2,500
<b>Loss on ordinary activities before taxation</b>		<u>(2,500)</u>
Tax on loss on ordinary activities		—
<b>Loss for the financial period</b>	7	<u><u>(2,500)</u></u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the period as set out above

## Balance sheet

	Note	30 Nov 07 £
<b>Fixed assets</b>		
Tangible assets	2	<u>6,278,180</u>
<b>Current assets</b>		
Debtors	3	1,541,029
<b>Creditors' amounts falling due within one year</b>	4	<u>7,721,709</u>
<b>Net current liabilities</b>		<u>(6,180,680)</u>
<b>Total assets less current liabilities</b>		<u>97,500</u>
<b>Capital and reserves</b>		
Called up equity share capital	6	100,000
Profit and loss account	7	<u>(2,500)</u>
<b>Shareholders' funds</b>	8	<u>97,500</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These financial statements were approved by the directors and authorised for issue on 26/9/ 2008 and are signed on their behalf by



R M H Wood  
Director

## Notes to the financial statements

### 1 Other operating charges

	Period from 18 Dec 06 to 30 Nov 07 £
Administrative expenses	<u>2,500</u>

### 2 Tangible fixed assets

	Plant and machinery; assets under construction £
Cost	
Additions	<u>6,278,180</u>
At 30 November 2007	<u>6,278,180</u>
Depreciation	
At 18 December 2006 and 30 November 2007	<u>—</u>
Net book value	
At 30 November 2007	<u>6,278,180</u>

### 3 Debtors

	30 Nov 07 £
VAT recoverable	907,385
Called up share capital not paid	100,000
Other debtors	533,644
	<u>1,541,029</u>

**4 Creditors: amounts falling due within one year**

	30 Nov 07
	£
Trade creditors	6,095,136
Amounts owed to related party	476,573
Other creditors	1,150,000
	<u>7,721,709</u>

Included within other creditors are loan notes 2025 totalling £1,150,000. The loan notes attract interest on the principal amount outstanding at the rate of the HSBC Bank Plc base rate and are redeemable at the option of the Noteholder in any of the years commencing 30 November 2008 up to 30 June 2025, at which time any outstanding balance will be redeemed by the company.

**5 Related party transactions**

R M H Wood and D A Wood are directors and shareholders of Community Windpower Limited. At the period end an amount of £476,573 was owed to Community Windpower Limited in respect of expenditure incurred on the company's behalf. In addition, Community Windpower Limited made a loan to Aikengall Community Wind Company Limited in the sum of £1,150,000, which remains outstanding.

**6 Share capital**

Authorised share capital

	30 Nov 07	
	£	
100,000 Ordinary shares of £1 each		<u>100,000</u>
Allotted and called up		
	No	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows:

	30 Nov 07
	£
Ordinary shares	<u>100,000</u>

On the date of incorporation, the company authorised 100 Ordinary £1 shares, of which 2 shares were issued. On the 30 November 2007, a further 99,900 Ordinary £1 shares were authorised and 99,998 were issued.

**7 Profit and loss account**

	<b>Period from 18 Dec 06 to 30 Nov 07 £</b>
Loss for the financial period	<u>(2,500)</u>
Balance carried forward	<u>(2,500)</u>

**8 Reconciliation of movements in shareholders' funds**

	<b>30 Nov 07 £</b>
Loss for the financial period	<u>(2,500)</u>
New ordinary share capital subscribed	<u>100,000</u>
Net addition to shareholders' funds	<u>97,500</u>
Closing shareholders' funds	<u>97,500</u>

**9 Pensions**

The company has not operated, or contributed to any pension scheme during the period

**10 Contingencies**

The directors have confirmed that there were no contingent liabilities which should be disclosed at 30 November 2007

**11 Capital commitments**

The directors have confirmed that the company was committed to £40,030,916 of capital expenditure as at 30 November 2007, which has not been provided for in these financial statements

**12 Ultimate parent company**

Aikengall Community Wind Company (Holdings) Limited, a company registered in England & Wales, hold a 99% shareholding in the company and are therefore considered to be the ultimate parent company