

Registration number: 03082227

Lynch Knoll Wind Park Limited

Directors' Report and Financial Statements

for the Year Ended 30 April 2014

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Lynch Knoll Wind Park Limited
Directors' report and financial statements
Year Ended 30 April 2014

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Directors' Report

The directors present their directors' report and financial statements for the year ended 30 April 2014.

Directors of the company

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

Dale Vince

Paul Wheatcroft (appointed 2 January 2014)

Principal activity

The principal activity of the company is the production and supply of wind powered electricity.

Dividends

The directors do not recommend the payment of a dividend (2013 : £Nil).

Business review

The performance of the Company is considered to be satisfactory.

Political donations

The Company made no political donations or incurred any political expenditure during the year (2013 : £Nil).

Charitable donations

The Company made a charitable donation of £500 to the Green Britain Foundation during the year (2013 : £500), a charity and company of which a director is also a director.

Disclosure of information to the auditor

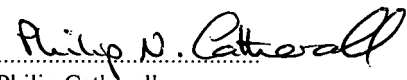
Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirms that there is no relevant information that they know of and of which the auditor is unaware.

Directors' Report (continued)

Reappointment of auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board on 27th JANUARY 15 and signed on its behalf by:


Philip Catherall
Company secretary

Beaumont House
172 Southgate Street
Gloucester
Gloucestershire
GL1 2EZ

27th JANUARY 2015

Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements

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 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

Independent Auditor's Report to the members of Lynch Knoll Wind Park Limited

We have audited the financial statements of Lynch Knoll Wind Park Limited for the year ended 30 April 2014, set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 director and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the director is 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web site at www.frc.org.uk/auditscopeukprivate

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 30 April 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to smaller entities; 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.

**Independent Auditor's Report to the members of Lynch Knoll Wind Park 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 the requirement to prepare a strategic report.



James Ledward (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

Chartered Accountants
100 Temple Street
Bristol
BS1 6AG

Date: 30 January 2015

Profit and Loss Account
for the Year Ended 30 April 2014

	Note	2014 £	2013 £
Turnover	2	<u>94,713</u>	<u>86,581</u>
Gross profit		94,713	86,581
Administrative expenses		<u>(68,565)</u>	<u>(39,736)</u>
Operating profit	3	<u>26,148</u>	<u>46,845</u>
Profit on ordinary activities before taxation		26,148	46,845
Tax on profit on ordinary activities	6	<u>(943)</u>	<u>1,188</u>
Profit for the financial year	12	<u><u>25,205</u></u>	<u><u>48,033</u></u>

Turnover and operating profit derive wholly from continuing operations.

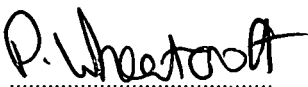
The company has no recognised gains or losses for either year other than the results above.

Lynch Knoll Wind Park Limited
Directors' report and financial statements
Year Ended 30 April 2014

Balance Sheet
as at 30 April 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible assets	7	310,402	335,079
Current assets			
Debtors	8	173,574	106,656
Cash at bank and in hand		<u>12,673</u>	<u>29,832</u>
		186,247	136,488
Creditors: Amounts falling due within one year	9	<u>(10,174)</u>	<u>(11,300)</u>
Net current assets		<u>176,073</u>	<u>125,188</u>
Total assets less current liabilities		486,475	460,267
Provisions for liabilities	10	<u>(11,581)</u>	<u>(10,578)</u>
Net assets		<u>474,894</u>	<u>449,689</u>
Capital and reserves			
Called up share capital	11	2	2
Revaluation reserve	12	89,961	103,288
Profit and loss account	12	<u>384,931</u>	<u>346,399</u>
Shareholder funds	12	<u>474,894</u>	<u>449,689</u>

These financial statements were approved by the Board on 27th JANUARY 15 and were signed by:



Paul Wheatcroft
Director

Registration number: 03082227

The notes on pages 9 to 15 form an integral part of these financial statements.

Note of Historical Cost Profits and Losses
for the Year Ended 30 April 2014

	2014 £	2013 £
Reported profit on ordinary activities before taxation	26,148	46,845
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	14,229	2,448
Historical cost profit on ordinary activities before taxation	<u>40,377</u>	<u>49,293</u>
Historical cost profit for the year retained after taxation	<u>39,434</u>	<u>50,481</u>

Notes to the Financial Statements

1 Accounting policies

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

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules, modified to include the revaluation of plant and machinery.

Under FRS1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of the Group headed by Ecotricity Group Limited, the Company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with wholly owned entities which form part of the Group (or investees of the Group qualifying as related parties). The consolidated financial statements of Ecotricity Group Limited, within which this Company is included, can be obtained from the address given in note 14.

Depreciation

The Company follows a policy of revaluation for its power generating units. On an annual basis management assess whether there are material changes in value since the last valuation.

Depreciation is provided to write off the revalued amount less the residual of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Asset class	Depreciation method and rate
Freehold land	Not depreciated
Plant and machinery	24 years, with estimated residual value being 25% of the revalued amount

Deferred tax

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

Notes to the Financial Statements

2 Turnover

Revenue from the generation of electricity represents the value of the sale of electricity from wind parks and related renewable credits and is recognised when the power is supplied.

3 Operating profit

Operating profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of owned tangible fixed assets	24,677	10,448
Impairment of tangible assets	-	-
Reversal of impairment	-	(13,144)
Auditor remuneration for the audit of these financial statements	<u>956</u>	<u>936</u>

Amounts receivable by the Company's auditor and their associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed for the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Ecotricity Group Limited.

4 Particulars of employees

The company had no employees or staff costs in either year.

5 Directors' remuneration

The directors' remuneration was borne by a fellow Group company in both years.

Notes to the Financial Statements

6 Taxation

Tax on profit on ordinary activities

	2014 £	2013 £
Current tax		
Corporation tax charge	1,875	1,935
Adjustments in respect of previous years	(1,935)	-
UK Corporation tax	<u>(60)</u>	<u>1,935</u>
Deferred tax		
Origination and reversal of timing differences	(433)	(833)
Deferred tax adjustment relating to previous years	3,238	(1,794)
Effect of changes in tax rates	<u>(1,802)</u>	<u>(496)</u>
Total deferred tax (note 10)	<u>1,003</u>	<u>(3,123)</u>
Total tax on profit on ordinary activities	<u><u>943</u></u>	<u><u>(1,188)</u></u>

Factors affecting current tax charge for the year

The tax on profit on ordinary activities for the year is lower (2013 : lower) than the standard rate of corporation tax in the UK of 22.84% (2013 - 23.92%).

The differences are reconciled below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>26,148</u>	<u>46,845</u>
Corporation tax at standard rate	5,972	11,205
Capital allowances in excess of depreciation	495	(2,863)
Expenses not deductible for tax purposes	4,898	1,909
Adjustment for prior periods	(1,935)	-
Utilisation of tax losses	(9,225)	(7,935)
Other differences	<u>(265)</u>	<u>(381)</u>
Total current tax	<u><u>(60)</u></u>	<u><u>1,935</u></u>

Notes to the Financial Statements

6 Taxation (continued)

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions 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.

7 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Total £
Cost/valuation			
At 1 May 2013	80,079	255,000	335,079
At 30 April 2014	80,079	255,000	335,079
Depreciation			
At 1 May 2013	-	-	-
Charge for the year	-	24,677	24,677
At 30 April 2014	-	24,677	24,677
Net book value			
At 30 April 2014	80,079	230,323	310,402
At 30 April 2013	80,079	255,000	335,079

The following information relates to tangible fixed assets carried on the basis of revaluations in accordance with FRS15 Tangible Fixed Assets.

Plant and machinery

	2014 £	2013 £
At valuation	255,000	255,000
Aggregate depreciation thereon	(24,677)	-
Net book value	230,323	255,000
Historical cost of revalued assets	334,331	334,331
Aggregate depreciation thereon	(193,067)	(182,619)
Historical cost net book value	141,264	151,712

Notes to the Financial Statements

7 Tangible fixed assets (continued)

The most recent full evaluation was performed as at 30 April 2013 by BDO LLP.

8 Debtors

	2014 £	2013 £
Amounts owed by group undertakings	158,941	94,238
Other debtors	276	141
Prepayments and accrued income	14,357	12,277
	<u>173,574</u>	<u>106,656</u>

9 Creditors: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	678	488
Amounts owed to group undertakings	1,712	768
Corporation tax	-	1,935
Other creditors	7,784	8,109
	<u>10,174</u>	<u>11,300</u>

10 Provisions for liabilities

	Deferred tax £
At 1 May 2013	10,578
Charged to the profit and loss account (note 6)	<u>1,003</u>
At 30 April 2014	<u>11,581</u>

Notes to the Financial Statements

10. Provisions for liabilities (continued)

Analysis of deferred tax

	2014 £	2013 £
Difference between accumulated depreciation and capital allowances	<u>(11,581)</u>	<u>(10,578)</u>

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions 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 liability at 30 April 2014 has been calculated based on the rates of 20% and 21% substantively enacted at the balance sheet date.

11 Called up share capital

Authorised share capital

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>

Allotted, called up and fully paid shares

	2014		2013	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

12 Reconciliation of movements in shareholders' funds

	Share capital	Revaluation reserve	Profit and loss account	Total
	£	£	£	£
At beginning of year	2	103,288	346,399	449,689
Profit for the year	-	-	25,205	25,205
Revaluation in year	-	(13,327)	13,327	-
At end of year	<u>2</u>	<u>89,961</u>	<u>384,931</u>	<u>474,894</u>

Notes to the Financial Statements

13 Related party transactions

The Company made a charitable donation of £500 (2013 : £500) during the year to the Green Britain Foundation, a charity and company of which D Vince is also a director.

14 Immediate and ultimate parent undertakings

The Company's ultimate parent undertaking is Ecotricity Group Limited, a Company incorporated in England and Wales.

The immediate parent undertaking is Next Generation Wind Holdings Limited, a Company incorporated in England and Wales.

The largest Group in which the results of the Company are consolidated is that headed by Ecotricity Group Limited. No other Group financial statements include the results of the Company. Consolidated financial statements of this Group may be obtained from Unicorn House, 7 Russell Street, Stroud, Gloucestershire, GL5 3AX.