

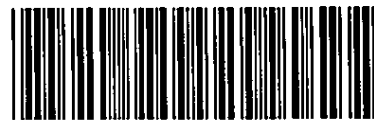
**Dundee Merchant Wind Park Limited**

**Director's report and financial  
statements**

**Registered number 4364643**

**Year ended 30 April 2011**

SATURDAY



\*AW79BYLG\*

A22

22/10/2011

247

COMPANIES HOUSE

## Contents

Director's report	1
Statement of director's responsibilities in respect of the Director's Report and the financial statements	2
Independent auditor's report to the members of Dundee Merchant Wind Park Limited	3
Profit and Loss Account	5
Balance Sheet	6
Note of Historical Cost Profits and Losses	7
Notes to the financial statements	8

## Director's report

The director presents the director's report and financial statements for the year ended 30 April 2011

### Principal activities

The principal activity of the company continued to be that of the production and supply of wind powered electricity

### Business review

The performance of the company is considered to be satisfactory

### Proposed dividend

The director does not recommend the payment of a dividend (2010 £Nil)

### Director

The director who held office during the year was as follows

Dale Vince

### Political and charitable contributions

The Company made no political or charitable donations or incurred any political expenditure during the year (2010 £Nil)

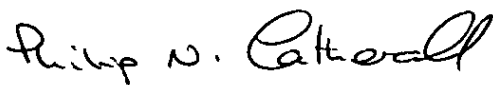
### Disclosure of information to auditor

The director who held office at the date of approval of this director's report confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

### Auditors

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

By order of the board



Philip Catherall  
Company Secretary

Beaumont House  
172 Southgate Street  
Gloucester  
Gloucestershire  
GL1 2EZ

14 - 10 - 2011

## **Statement of director's responsibilities in respect of the Director's Report and the financial statements**

The director is responsible for preparing the Director's 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 he has elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under Company law the director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 director is 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. He has 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



## **Independent auditor's report to the members of Dundee Merchant Wind Park Limited**

We have audited the financial statements of Dundee Merchant Wind Park Limited for the year ended 30 April 2011 set out on pages 5 to 13. 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 directors and auditors**

As explained more fully in the Director's Responsibilities Statement set out on page 2, 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 (APB'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 APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **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 30 April 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with UK 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 Director's 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 Dundee Merchant 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 Director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



AC Antonius (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
100 Temple Street  
Bristol  
United Kingdom  
BS1 6AG

17 October 2011

**Profit and Loss Account**  
*for the year ended 30 April 2011*

	<i>Note</i>	<b>2011</b> £	<b>2010</b> £
<b>Turnover</b>	<i>1</i>	<b>588,435</b>	589 296
<b>Gross profit</b>		<b>588,435</b>	589 296
Administrative expenses		(291,683)	(348,117)
<b>Operating profit</b>	<i>2</i>	<b>296,752</b>	241 179
<b>Profit on ordinary activities before taxation</b>	<i>2-4</i>	<b>296,752</b>	241 179
Tax on profit on ordinary activities	<i>5</i>	(134,391)	(7 333)
<b>Profit for the financial year</b>	<i>11</i>	<b>162,361</b>	233,846

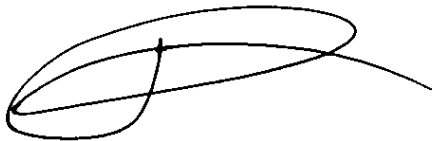
The results are all derived from continuing operations. There are no recognised gains and losses for the year other than those recorded in the profit and loss account.

**Balance Sheet**  
*at 30 April 2011*

	<i>Note</i>	2011		2010	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		4,824,797		3,766,111
<b>Current assets</b>					
Debtors	7	2,504,252		1,979,556	
Cash at bank and in hand		3,841		24,066	
		<u>2,508,093</u>		<u>2,003,622</u>	
<b>Creditors</b> amounts falling due within one year	8	<u>(3,251,350)</u>		<u>(3,179,774)</u>	
<b>Net current liabilities</b>			(743,257)		(1,176,152)
<b>Total assets less current liabilities</b>			<u>4,081,540</u>		<u>2,589,959</u>
Provisions for liabilities	9		(375,102)		(240,711)
<b>Net assets</b>			<u>3,706,438</u>		<u>2,349,248</u>
<b>Capital and reserves</b>					
Called up share capital	10		100		100
Revaluation reserve	11		2,555,061		1,410,785
Profit and loss account	11		<u>1,151,277</u>		<u>938,363</u>
<b>Shareholders' funds</b>	11		<u>3,706,438</u>		<u>2,349,248</u>

These financial statements were approved by the director on 14 - 10 - 2011 and were signed by

Dale Vince  
Director





## Note of Historical Cost Profits and Losses

*for the year ended 30 April 2011*

	2011 £	2010 £
<b>Reported profit on ordinary activities before taxation</b>	<b>296,752</b>	241,179
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	50,552	175,291
<b>Historical cost profit on ordinary activities before taxation</b>	<b>347,304</b>	416,470
<b>Historical cost profit for the year retained after taxation and dividends</b>	<b>212,913</b>	409,137

## Notes to the financial statements

*(forming part of 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, except as noted below

#### *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 FRS 1 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 FRS 8 and has therefore not disclosed transactions or balances with 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 12

#### *Going concern*

Notwithstanding net current liabilities of £743,257, the director has prepared the financial statements on a going concern basis which is considered appropriate for the following reasons. The majority of current liabilities are owed to fellow Group companies and Group management have no intention of calling these debts in. The director has reviewed the cash flow forecasts for the Group. In particular the director notes that the Group's trading and cash flow performance since the balance sheet date is in line with these forecasts. Taking account of reasonably possible changes in trading performance, the director is satisfied that the Group will generate sufficient cashflows to allow the Group to meet its liabilities as they fall due for payment for at least the next 12 months

#### *Tangible fixed assets and depreciation*

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

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

Plant and machinery - 24 years, with estimated residual value being 1/4 of the revalued amount

#### *Turnover*

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

#### *Taxation*

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 FRS 19

## Notes (continued)

### 2 Notes to the profit and loss account

	2011 £	2010 £
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Depreciation of owned tangible fixed assets	<u>136,141</u>	<u>136,141</u>
<i>Auditors' remuneration</i>		
	2011 £	2010 £
Audit of these financial statements	<u>1,566</u>	<u>1,500</u>

Amounts receivable by the Company's auditors 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 as 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

### 3 Remuneration of director

The director's remuneration is borne by a fellow Group Company in both years

### 4 Staff numbers and costs

The Company has no employees in either year

## Notes (continued)

### 5 Taxation

#### Analysis of charge in period

	2011 £	2010 £
<i>UK corporation tax</i>		
Current tax on income for the year	-	-
Adjustments in respect of prior periods	-	-
<b>Total current tax</b>	<b>-</b>	<b>-</b>
<i>Deferred tax (see note 9)</i>		
Origination/reversal of timing differences	97,580	25,685
Adjustment in respect of previous years	36,811	(18,352)
<b>Total deferred tax</b>	<b>134,391</b>	<b>7,333</b>
<b>Tax on profit on ordinary activities</b>	<b>134,391</b>	<b>7,333</b>

#### Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2010 lower) than the average standard rate of corporation tax in the UK for the year. The differences are explained below:

	2011 £	2010 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	296,752	241,179
<b>Current tax at 27.8% (2010 21%)</b>	<b>82,603</b>	<b>50,648</b>
<i>Effects of</i>		
Expenses not deductible for tax purposes	14,071	-
Capital allowances for period in excess of depreciation	(33,728)	(25,685)
Group relief claimed before payment	(62,946)	(24,963)
<b>Total current tax charge (see above)</b>	<b>-</b>	<b>-</b>

Provisions for deferred tax at 1 May 2010 were calculated at the UK rate of corporation tax applicable to small companies at 21%.

On 23 March 2011 the Chancellor announced a reduction in the main rate of UK corporation tax to 26% with effect from 1 April 2011. This change became substantively enacted on 29 March 2011. Due to this change, and because of the increase in the number of companies within the group, associated for tax purposes, provisions for deferred tax as at 30 April 2011 has been calculated at the rate of 26%.

## Notes (continued)

### 6 Tangible fixed assets

	Plant and machinery £
<b>Valuation</b>	
At beginning and end of year	4 175 001
Revaluation	649 796
	<hr/>
At end of year	4 824 797
	<hr/>
<b>Depreciation</b>	
At beginning of year	408 890
Charge for year	136 141
Revaluation	(545 031)
	<hr/>
At end of year	-
	<hr/>
<b>Net book value</b>	
At 30 April 2011	4,824,797
	<hr/>
At 30 April 2010	3 766 111
	<hr/>

The following information relates to tangible fixed assets carried on the basis of revaluations in accordance with FRS 15 *Tangible fixed assets*

#### Plant and machinery

	2011 £	2010 £
At valuation	4,824,797	4 175 000
Aggregate depreciation thereon	-	(408 890)
	<hr/>	<hr/>
Net book value	4,824,797	3 766 111
	<hr/>	<hr/>
Historical cost of revalued assets	2,738,856	2,738 856
Aggregate depreciation thereon	(469,120)	(383 530)
	<hr/>	<hr/>
Historical cost net book value	2,269,736	2 355 326
	<hr/>	<hr/>

The last full valuation was performed during the year ended 30 April 2008 by an external consultant  
 An internal valuation was performed as at 30 April 2011

## Notes (continued)

### 7 Debtors

	2011 £	2010 £
Amounts owed by Group undertakings	2,494,823	1 968 028
Prepayments and accrued income	9,429	11 528
	<u>2,504,252</u>	<u>1 979 556</u>

### 8 Creditors amounts falling due within one year

	2011 £	2010 £
Trade creditors	-	11 428
Amounts owed to Group undertakings	3,187,507	3 102 735
Accruals and deferred income	63,843	65 611
	<u>3,251,350</u>	<u>3 179,774</u>

### 9 Provisions for liabilities

	Deferred taxation £
At beginning of year	240 711
Charge to the profit and loss for the year (note 5)	134 391
	<u>375,102</u>
At end of year	<u>375,102</u>

The elements of deferred taxation are as follows

	2011 £	2010 £
Difference between accumulated depreciation and capital allowances	375,102	240 711

Provisions for deferred tax at 1 May 2010 were calculated at the UK rate of corporation tax applicable for small companies at 21%

On 23 March 2011 the Chancellor announced a reduction in the main rate of UK corporation tax to 26% with effect from 1 April 2011. This change became substantively enacted on 29 March 2011. Due to this change, and because of the increase in the number of companies within the group, associated for tax purposes, provisions for deferred tax as at 30 April 2011 has been calculated at the rate of 26%

## Notes (continued)

### 9 Provision for liabilities (continued)

The Chancellor has also proposed changes to further reduce the main rate of corporation tax by one per cent per annum to 23 per cent by 1 April 2014, but these changes have not yet been substantively enacted and therefore are not included in the figures above. The overall effect of the further reductions from 26 per cent to 23 per cent, if these applied to the deferred tax balance at 30 April 2011 are expected to be immaterial.

### 10 Called up share capital

	2011 £	2010 £
<i>Authorised</i>		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>

### 11 Reconciliation of movements in shareholders' funds

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At beginning of year	100	1 410 785	938 364	2 349 249
Profit for the year	-	-	162 361	162 361
Transfer from revaluation reserve during the year	-	(50 552)	50 552	-
Revaluation during year	-	1 194 828	-	1 194 828
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	100	2,555,061	1,151,277	3,706,438
	<hr/>	<hr/>	<hr/>	<hr/>

### 12 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. The consolidated financial statements of this Group may be obtained from Axiom House, Station Road, Stroud, Gloucestershire GL5 3AP.