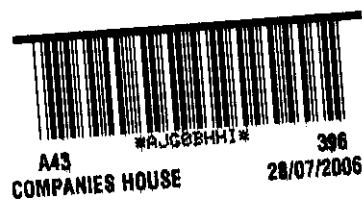


**RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

**Report and Financial Statements**

**As at 31 October 2005**

**Company Registration No. 4913497**



**RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**  
**REPORT AND FINANCIAL STATEMENTS 2005**

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**RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2005**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

C McAlpine (Chairman)  
G M McAlpine BA(Hons) MSc  
I D Mays BSc PhD  
M C Shelley ACA

**SECRETARY**

M R O'Neill ACA

**REGISTERED OFFICE**

Beaufort Court  
Egg Farm Lane  
Off Station Road  
Kings Langley  
Hertfordshire  
WD4 8LR

**AUDITORS**

Deloitte & Touche LLP  
Chartered Accountants  
London

# **RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

The Directors present their annual report and the audited financial statements for the year ended 31 October 2005.

### **RESULTS**

The Group's retained profit for the financial period was £403,000 (2004 - £9,630,000).

The Directors do not recommend the payment of a dividend (2004: £nil).

### **REVIEW OF THE BUSINESS AND FUTURE PROSPECTS**

The principal activities of the Group are the development and construction of wind farms together with the production and sale of electricity in projects where ownership has been retained.

The Group's resources are now focused on markets where substantial growth is expected, primarily in the British Isles, USA and France. Emerging opportunities are also being pursued in Scandinavia, Canada and Australia. The final step in the Group's rationalisation took place during the year with the disposal of its interests in the Japanese market.

The past year has been one of significant activity for the Group, with sixteen projects totalling 731MW either completed or under construction. The Group has retained ownership of seven of these projects. In the British Isles, the Group completed construction of the Glens of Foudland project (26MW) and commenced construction of four further projects totalling 85MW. In France, the Plateau Ardechois project (7MW) was completed and construction commenced on six further projects totalling 84MW. In the USA, three projects were completed or substantially completed; Sweetwater (91MW), Ainsworth (59MW) and Hopkins Ridge (150MW) and construction began on the Wild Horse project (229MW). After the year end the Group sold its first project in Sweden, construction of which is underway.

Significant progress has been made with respect to the strategy of growing the Group's portfolio of wind farms under ownership. In March 2005 the Group acquired its partners' interests in operating wind farms in Ireland and Northern Ireland. The Group subsequently refinanced its portfolio and secured the finance required to construct and own the additional seven projects retained during the year. Finance has also been secured for the ownership and associated construction of a number of future wind farms. Once the projects currently under construction are complete the Group will wholly own seventeen wind farms in the UK, Ireland and France with a total installed capacity of 224 MW.

Although this strategy is expected to produce enhanced and stable profits and cash flow in the medium and longer term, it will impact the Group's results in the short term, as the profit which would otherwise be recognised on the sale of a project will instead be realised over the life of the project. If projects had been sold rather than retained the Group would have substantially increased profit before tax for the year.

A notable achievement during the year was passing the 1,000 MW milestone of cumulative installed capacity. It is believed we are the first Group to achieve this in the international market. Another significant achievement for 2005 was receiving the Queen's Award for Enterprise in the Sustainable Development Category. This is one of the UK's most prestigious business awards. It reflects the Group's commercial success and its commitment to sustainability and innovation, exemplified by its innovative zero-emissions head office, Beaufort Court, and its comprehensive approach to environmental and social impact assessment prior to the commencement of every wind farm project.

In addition to achieving strong growth in the wind energy sector the Group intends to diversify its operations to include other renewable energy technologies and is currently assessing opportunities in these markets.

# **RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

## **DIRECTORS' REPORT (continued)**

### **DIRECTORS AND SECRETARY**

The Directors that have held office during the year and remain in office unless stated are:

C McAlpine

G M McAlpine

Dr I D Mays

M C Shelley

P H Walker Taylor (resigned 8 March 2005)

D S Jenkins (non-executive) (appointed 1 November 2004; resigned 1 August 2005)

M R O'Neill has held the office of Secretary for the year.

### **Directors' interests**

The interests of the Directors in the shares of Group companies, as recorded in the register kept in accordance with Section 325 of the Companies Act 1985 were as follows:

Shares of Renewable Energy Systems Holdings Limited:

None of the Directors held any beneficial interests in the ordinary shares of Renewable Energy Systems Holdings Limited (2004: nil).

Shares in Newarthill Limited:

Mr Cullum McAlpine is a director of Newarthill Limited and his interests are shown in the Directors' Report of that company. None of the other Directors held any beneficial interest in the ordinary shares of Newarthill Limited or any other group company.

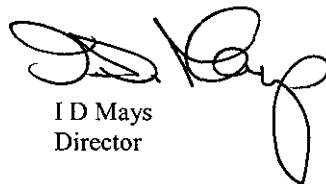
### **Interest in contracts**

During the period there were no transactions or arrangements involving Directors of the Company or its subsidiaries, which are required to be disclosed in accordance with Section 232 of the Companies Act 1985.

### **AUDITORS**

A resolution to re-appoint Deloitte & Touche LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



I D Mays  
Director

17 March 2006

## **RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit or loss of the Group for that period. In preparing those financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the Group's system of internal control, for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

We have audited the financial statements of Renewable Energy Systems Holdings Limited for the year ended 31 October 2005 which comprise the consolidated profit and loss account, the consolidated balance sheet, the Company balance sheet, the statement of total consolidated recognised gains and losses and the related notes 1 to 29. 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 auditors' 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 described in the statement of Directors' responsibilities, the Company's Directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 if, in our opinion, the Directors' report is not consistent with the financial statements, if 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 transactions with the Company and other members of the Group is not disclosed.

We read the Directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards 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 circumstances of the Company and of the Group, 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.

#### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the affairs of the Company and of the Group as at 31 October 2005 and of the profit of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche LLP*  
**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors  
London

17 March 2006

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year ended 31 October 2005

	Notes	<u>2005</u> £'000	<u>2004</u> £'000
Turnover : Group and share of joint venture		183,691	53,812
Less : Share of joint venture		(156)	-
<b>Group turnover</b>	1, 2	<b>183,535</b>	<b>53,812</b>
Group cost of sales		(167,326)	(36,451)
<b>Gross profit</b>		<b>16,209</b>	<b>17,361</b>
Group administrative expenses		(8,714)	(7,622)
<b>Group operating profit</b>	2, 5	<b>7,495</b>	<b>9,739</b>
Share of operating loss in joint ventures		(842)	-
<b>Operating profit</b>		<b>6,653</b>	<b>9,739</b>
Profit on sale of fixed assets	10	-	1,664
Profit on disposal of an investment	11	245	-
Amounts written back on investments	11	104	-
Profit on disposal of operations	12	527	223
Investment income and interest receivable			
Group	3	959	857
Joint ventures		1	-
		<u>960</u>	<u>857</u>
Interest payable and similar charges			
Group	4	(5,197)	(3,294)
Joint ventures		(43)	-
		<u>(5,240)</u>	<u>(3,294)</u>
<b>Profit on ordinary activities before tax</b>		<b>3,249</b>	<b>9,189</b>
Tax (charge)/credit on profit on ordinary activities*	7	(2,808)	542
<b>Profit on ordinary activities after tax</b>		<b>441</b>	<b>9,731</b>
Equity minority interests	18	(38)	(101)
<b>Profit for the financial year</b>	20	<b>403</b>	<b>9,630</b>

\*Tax relates to the following :

Parent and subsidiaries	(£2,808,000)
Joint ventures	(£nil)

All transactions are derived from continuing operations.



# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

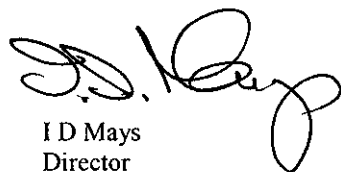
## CONSOLIDATED BALANCE SHEET

As at 31 October 2005

	Notes	<u>2005</u> £'000	£'000	<u>2004</u> £'000	£'000
<b>Fixed assets</b>					
Intangible assets - goodwill	8		13,362		12,833
Tangible assets	10		114,220		54,254
Investments	11		386		282
Investments in joint ventures:					
Share of net liabilities			(1,096)		-
			126,872		67,369
<b>Current assets</b>					
Work in progress		3,991		5,342	
Debtors - due within one year	13	39,082		8,312	
Debtors - due after one year	13	513		-	
Cash at bank and in hand	14	64,788		22,155	
		108,374		35,809	
<b>Creditors: amounts falling due within one year</b>	15	(85,191)		(21,911)	
<b>Net current assets</b>			23,183		13,898
<b>Total assets less current liabilities</b>			150,055		81,267
<b>Creditors: amounts falling due after more than one year</b>	16		(103,364)		(36,216)
<b>Provisions for liabilities and charges</b>	17		(5,915)		(2,380)
<b>Minority interest (including non-equity interests)</b>	18		177		(2,440)
<b>Net assets</b>	2		<u>40,953</u>		<u>40,231</u>
<b>Capital and reserves</b>					
Called up share capital	19		22,000		22,000
Merger reserve	20		9,584		9,584
Other reserves	20		(716)		(1,035)
Profit and loss account	20		10,085		9,682
<b>Equity shareholders' funds</b>	21		<u>40,953</u>		<u>40,231</u>

These financial statements were approved by the Board of Directors on 17 March 2006.

Signed on behalf of the Board of Directors

  
I D Mays  
Director

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

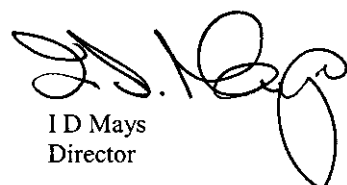
## COMPANY BALANCE SHEET

As at 31 October 2005

	Notes	<u>2005</u>		<u>2004</u>	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Investments	11		36,959		22,000
<b>Current assets</b>					
Debtors	13	6,801		-	
<b>Creditors: amounts falling due within one year</b>	15	<u>(22,384)</u>		<u>-</u>	
<b>Net current liabilities</b>			(15,583)		-
<b>Total assets less current liabilities</b>			<u>21,376</u>		<u>22,000</u>
<b>Capital and reserves</b>					
Called up share capital	19		22,000		22,000
Profit and loss account	20		<u>(624)</u>		<u>-</u>
<b>Equity shareholders' funds</b>	21		<u>21,376</u>		<u>22,000</u>

These financial statements were approved by the Board of Directors on 17 March 2006.

Signed on behalf of the Board of Directors

  
I D Mays  
Director

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## STATEMENT OF TOTAL CONSOLIDATED RECOGNISED GAINS AND LOSSES

Year ended 31 October 2005

	<u>2005</u> £'000	<u>2004</u> £'000
Profit for the year attributable to the shareholders	403	9,630
Currency translation differences on foreign currency net investment (all Group)	<u>319</u>	<u>(621)</u>
<b>Total consolidated recognised gains and losses relating to the year</b>	<u>722</u>	<u>9,009</u>

# **RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 October 2005**

### **1. ACCOUNTING POLICIES**

The financial statements have been prepared on a consistent basis for the current and prior year in accordance with applicable United Kingdom laws and accounting standards. The particular accounting policies adopted by the Directors are described below.

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention.

#### **Basis of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries at 31 October 2005 and their results for the year ended on that date.

#### **Intangible assets – goodwill**

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is five to twenty years based on expected lives of the related business and assets. Provision is made for any impairment.

Goodwill arising on acquisitions in the year ended 31 December 1997 and earlier periods was written off to reserves in accordance with the accounting standard then in force. As permitted by current accounting standards the goodwill previously written off to reserves has not been reinstated in the balance sheet. On disposal or closure of a previously acquired business, the attributable amount of goodwill previously written off to reserves is included in determining the profit or loss on disposal.

#### **Foreign currencies**

Transactions of UK companies denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates of exchange ruling at that date. The translation differences are dealt with in the profit and loss account.

The financial statements of foreign subsidiaries are translated into sterling at the closing rate of exchange for the balance sheet and average rate of exchange for the year for profit and loss balances. Any differences arising there from are taken directly to reserves. The differences arising from the translation of the opening net investment in subsidiaries at the closing rate and matched long-term foreign currency borrowings are taken direct to reserves.

#### **Turnover**

Turnover represents the value of work carried out and fees invoiced and accrued for the development, construction and operation of wind farms and related activities.

#### **Tangible fixed assets**

All tangible fixed assets are stated at cost net of depreciation and any provision for impairment.

#### **Depreciation**

Fixed assets are depreciated over their useful economic lives at the following rates per annum:

- Freehold buildings – 2% straight line
- Freehold land – not depreciated
- Short leasehold land and buildings – 20% straight line
- Fixtures and fittings – 20% straight line
- Plant and equipment – 5% to 33% straight line

# **RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 October 2005**

### **1. ACCOUNTING POLICIES (continued)**

#### **Government grants**

Government grants received as contributions towards expenditure on fixed assets are treated as deferred income and credited to the profit and loss account over the expected useful economic life of the asset.

#### **Operating leases**

Operating lease rentals are charged to the profit and loss account over the life of the lease.

Operating lease rentals for land on which the Group's wind farms are situated are charged to the profit and loss account at a percentage of revenue generated by the wind farm.

Other operating lease rentals are charged to the profit and loss account in equal amounts over the life of the lease.

#### **Investments**

Investments held as fixed assets are stated at cost less provision for impairment. Investments held as current assets are stated at the lower of cost and net realisable value.

#### **Joint arrangements**

An undertaking is regarded as a joint arrangement if the Group has a participating interest and joint control over operating and financial policies but the undertaking is not an entity distinguishable from the business of its investors.

In accordance with FRS 9, Associates and Joint Ventures, the Group accounts for its share of the individual items of income, expenditure, assets, liabilities and cash flows of the joint arrangements.

#### **Amounts recoverable on contracts**

Amounts recoverable on long term contracts which are stated within debtors, are stated at the net sales value of work done less amounts received as progress payments on account.

#### **Work in progress**

Work in progress is valued at the lower of cost and net realisable value.

#### **Short term investments**

Short term investments are cash deposits repayable after fourteen days.

#### **Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing difference that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and tax law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 1. ACCOUNTING POLICIES (continued)

#### Retirement benefits

The expected cost to the Company of pensions in respect of the defined benefit pension scheme is charged each year to the profit and loss account so as to spread the cost of pensions over services lives of employees in the scheme.

#### Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

For an interest rate swap to be treated as a hedge the instrument must be related to actual assets or liabilities or a probable commitment and must change the nature of the interest rate by converting a fixed rate to a variable rate or vice versa. Interest differentials under these swaps are recognised by adjusting net interest payable over the periods of the contracts.

#### Loan issue costs

Costs relating to the issue of bank loans are netted against the carrying amount of debt and amortised over the estimated life of the loan, being charged to the profit and loss account as part of interest payable and similar charges.

#### Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement afforded by FRS 1 (5) 'Cash Flow Statements' because it is a wholly owned subsidiary of Sir Robert McAlpine Enterprises Limited, whose ultimate parent, Newarthill Limited prepares consolidated accounts which include a cash flow statement and is publicly available.

### 2. SEGMENTAL ANALYSIS

#### By classes of business:

	Turnover		Operating profit		Net assets/(liabilities)	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	£'000	£'000	£'000	£'000	£'000	£'000
Development and construction of wind farms	172,579	44,527	3,218	5,607	42,142	35,635
Production and sale of electricity	10,956	9,285	4,277	4,132	(1,189)	4,596
	<u>183,535</u>	<u>53,812</u>	<u>7,495</u>	<u>9,739</u>	<u>40,953</u>	<u>40,231</u>

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 2. SEGMENTAL ANALYSIS (continued)

By geographical area of origin:

	Turnover		Operating profit		Net assets/(liabilities)	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	£'000	£'000	£'000	£'000	£'000	£'000
UK	40,198	18,063	2,931	(525)	20,272	35,949
Rest of Europe	7,157	23,551	(562)	11,709	17,440	4,015
USA	133,166	8,253	3,399	(1,457)	3,490	1,296
Other	3,014	3,945	1,727	12	(249)	(1,029)
	<u>183,535</u>	<u>53,812</u>	<u>7,495</u>	<u>9,739</u>	<u>40,953</u>	<u>40,231</u>

Turnover by destination is not materially different from turnover by origin.

### 3. INVESTMENT INCOME AND INTEREST RECEIVABLE

	<u>2005</u>	<u>2004</u>
	£'000	£'000
Unlisted investments	123	153
Exchange gain on financing	-	257
Interest receivable from joint venture	43	-
Other interest receivable and similar income	793	447
	<u>959</u>	<u>857</u>

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2005</u>	<u>2004</u>
	£'000	£'000
Bank loans and overdrafts	4,167	2,208
Interest payable to group undertakings	-	577
Amortisation of loan issue costs	1,002	60
Exchange loss on financing	-	449
Other interest	28	-
	<u>5,197</u>	<u>3,294</u>

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 5. OPERATING PROFIT

	<u>2005</u>	<u>2004</u>
	<u>£'000</u>	<u>£'000</u>
Operating profit is stated after charging/(crediting):		
Depreciation on owned assets	4,134	3,317
Amortisation of goodwill	1,185	660
Foreign exchange differences	369	67
Auditors' remuneration (see below)	308	252
Operating lease rentals – land and buildings	503	478
Grant income amortisation	(34)	(19)

Analysis of auditors' remuneration for the Group:

	<u>2005</u>	<u>2004</u>
	<u>£'000</u>	<u>£'000</u>
Audit fees	142	113
Tax and other services	166	139
	<u>308</u>	<u>252</u>

Auditor's remuneration for the Company was borne by another group company in both years.

### 6. EMPLOYEE INFORMATION

	<u>2005</u>	<u>2004</u>
	<u>£'000</u>	<u>£'000</u>
<b>Remuneration of the Directors of the Company and the highest paid Director:</b>		
Total emoluments	318	233
Pension contributions	18	14
	<u>336</u>	<u>247</u>

At the year end the accrued balance on the defined benefit pension scheme in relation to the highest paid Director of the Company was £1,544,490 (2004: £1,177,760).



# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 6. EMPLOYEE INFORMATION (continued)

Staff costs including Directors' emoluments of the Group :

	<u>2005</u> £'000	<u>2004</u> £'000
Wages and salaries	7,613	5,493
Social security costs	1,004	682
Other pension costs	532	660
	<u>9,149</u>	<u>6,835</u>

	<u>2005</u> No.	<u>2004</u> No.
Average number employed during the year including Directors :		
Administration	38	29
Engineering, technical and project management	<u>117</u>	<u>96</u>
	<u>155</u>	<u>125</u>

Retirement benefits in the Company were accruing to one Director during the year (2004 – one) under defined benefit schemes.

As shown on page 14 one of the Directors of the Company was remunerated for his services to the Renewable Energy Holdings Limited Group by member companies of the Group. The other Directors of the Company were paid by fellow group companies of the Newarthill Limited group.

### 7. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	<u>2005</u> £'000	<u>2004</u> £'000
Analysis of tax charge on profit on ordinary activities:		
United Kingdom corporation tax at 30% (2004: 30%) based on the profit for the year:		
Current tax:		
UK Corporation tax	817	-
Overseas tax	(1,906)	(198)
Prior year adjustments	<u>60</u>	<u>(27)</u>
	<u>(1,029)</u>	<u>(225)</u>
Deferred tax:		
Timing differences, origination and reversal	<u>(1,779)</u>	<u>767</u>
	<u>(2,808)</u>	<u>542</u>

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 7. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES (continued)

Factors affecting the tax charge for the current year:

	<u>2005</u> £'000	<u>2004</u> £'000
Profit on ordinary activities before tax	3,249	9,189
Tax at 30%	(975)	(2,757)
Effects of:		
Capital allowances in excess of depreciation	1,374	395
Timing differences on tax losses	(698)	(1,209)
Utilisation of losses	925	(312)
Movement in short term timing differences	(1,253)	(144)
Income not taxable	1,741	2,597
Expenses not deductible	(1,010)	-
Utilisation of other group companies' capital losses	-	1,907
Other permanent differences	300	123
Effects of overseas tax rates	(917)	259
Group relief not paid for	(311)	(1,011)
Consortium relief not paid for	(265)	-
Prior year adjustments	60	(25)
Other	-	(48)
	<u>(1,029)</u>	<u>(225)</u>

Factors that may affect the future tax charge:

A deferred tax asset has not been recognised in respect of timing differences where there is insufficient evidence that assets will be recovered within the foreseeable future. The amount of the assets not recognised for the Group is £1,135,000 (2004: £1,146,000), and of the Company is nil. See note 17 for recognised deferred tax assets and liabilities.

Analysis of unrecognised tax asset:

	<u>2005</u> £'000	<u>2004</u> £'000
Accelerated capital allowances	210	354
Short term timing differences	286	733
Losses	639	59
	<u>1,135</u>	<u>1,146</u>

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 8. INTANGIBLE FIXED ASSETS – GOODWILL

	Group £'000
<b>Cost</b>	
At 1 November 2004	13,615
Exchange rate adjustments	(81)
Acquisitions (see note 9)	79
Other additions (see below)	<u>1,729</u>
At 31 October 2005	<u>15,342</u>
<b>Amortisation</b>	
At 1 November 2004	782
Exchange rate adjustments	13
Charge for the year	<u>1,185</u>
At 31 October 2005	<u>1,980</u>
<b>Net book value</b>	
At 31 October 2005	<u><u>13,362</u></u>
At 31 October 2004	<u><u>12,833</u></u>

Following an assessment of the calculation of goodwill in relation to the acquisition of Eole-RES s.a in 2004, goodwill has been increased to reflect the improved predicted outlook for that company, which affects the total purchase price payable.

### 9. ACQUISITION OF SUBSIDIARY UNDERTAKINGS

On 29 January 2005, the Group purchased the outstanding 50% of the share capital of Taurbeg Limited, which has been accounted for using acquisition accounting.

	Book value £'000	Revaluation £'000	Fair value £'000
Assets and liabilities acquired:			
Fixed assets	628	-	628
Current assets	36	-	36
Creditors	<u>(742)</u>	<u>-</u>	<u>(742)</u>
	<u>(78)</u>	<u>-</u>	<u>(78)</u>
Consideration paid			<u>1</u>
Goodwill (see note 8)			<u><u>79</u></u>

Taurbeg Limited made a loss after taxation and minority interests of £728,000 in the year ended 31 October 2005 (2004: loss £112,000). During the period from 1 November 2004 to the date of acquisition Taurbeg Limited had no turnover; an operating loss of £1,000 and a loss after tax and minority interest of £24,000.

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 9. ACQUISITION OF SUBSIDIARY UNDERTAKINGS (continued)

On 23 March 2005, the Group purchased the outstanding 50% of the share capital in each of Lendrum's Bridge (Holdings) Limited (including its subsidiary Lendrum's Bridge Wind Farm Limited), Altahullion Wind Farm Limited and MHB Wind Farms (Holdings) Limited (including its subsidiary MHB Wind Farms Limited), which have been accounted for using acquisition accounting. On the same date the group also acquired the outstanding 26% of the share capital of Cark Limited. The fair value of the consideration, paid in cash, was £3,314,000 and no goodwill arose.

	Book value £'000	Revaluation £'000	Fair value £'000
Assets and liabilities acquired:			
Fixed assets	18,479	3,129	21,608
Current assets	1,376	-	1,376
Creditors	(19,717)	-	(19,717)
Provisions	(429)	-	(429)
	<u>(291)</u>	<u>3,129</u>	<u>2,838</u>
Minority interest (see note 18)			<u>476</u>
			<u>3,314</u>

The revaluation of the fixed assets was based on prevailing market conditions at the time of acquisition.

In the year ended 31 October 2005 the acquired companies earned profits/(losses) after taxation and minority interests as follows:

	<u>2005</u> £'000	<u>2004</u> £'000
Lendrum's Bridge (Holdings) Limited (including subsidiary)	136	17
Altahullion Wind Farm Limited	(943)	(748)
MHB Wind Farms (Holdings) Limited (including subsidiary)	(153)	283

During the period from 1 November 2004 to date of acquisition the acquired companies earned the following results:

	<u>Turnover</u> £'000	<u>Operating profit</u> £'000	<u>Profit After Tax and Minority Interest</u> £'000
Lendrum's Bridge (Holdings) Limited (including subsidiary)	911	538	350
Altahullion Wind Farm Limited	1,541	864	409
MHB Wind Farms (Holdings) Limited (including subsidiary)	512	210	178

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 10. TANGIBLE FIXED ASSETS

GROUP	Freehold land and buildings £'000	Short leasehold land and buildings £'000	Fixtures and fittings £'000	Plant and equipment £'000	Assets in course of construction £'000	Total £'000
<b>Cost</b>						
At 1 November 2004	6,652	377	2,940	63,573	-	73,542
Exchange rate adjustments	(16)	-	13	(1,025)	(5)	(1,033)
Additions	105	-	678	29	41,465	42,277
Acquisition of subsidiary undertakings	394	-	-	21,608	233	22,235
Disposals	-	-	(28)	(8)	-	(36)
Reclassification	-	(8)	8	(1,545)	1,545	-
Reclassification from current assets	394	-	-	-	30	424
At 31 October 2005	<u>7,529</u>	<u>369</u>	<u>3,611</u>	<u>82,632</u>	<u>43,268</u>	<u>137,409</u>
<b>Depreciation</b>						
At 1 November 2004	614	152	1,174	17,348	-	19,288
Exchange rate adjustments	-	-	5	(216)	-	(211)
Charge for the year	112	14	496	3,512	-	4,134
Disposals	-	-	(18)	(4)	-	(22)
Reclassification	-	(7)	7	-	-	-
At 31 October 2005	<u>726</u>	<u>159</u>	<u>1,664</u>	<u>20,640</u>	<u>-</u>	<u>23,189</u>
<b>Net book value</b>						
At 31 October 2005	<u>6,803</u>	<u>210</u>	<u>1,947</u>	<u>61,992</u>	<u>43,268</u>	<u>114,220</u>
At 31 October 2004	<u>6,038</u>	<u>225</u>	<u>1,766</u>	<u>46,225</u>	<u>-</u>	<u>54,254</u>

The Company has no tangible fixed assets.

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 11. FIXED ASSET INVESTMENTS

<b>Group</b>	<b>Unlisted Investments £'000</b>
<b>Cost</b>	
At 1 November 2004	985
Exchange rate adjustment	4
Disposals	(603)
	<hr/>
At 31 October 2005	386
<b>Provision for impairment</b>	
At 1 November 2004	703
Exchange rate adjustment	4
Disposals	(603)
Release in year	(104)
	<hr/>
At 31 October 2005	-
<b>Net book value</b>	
At 31 October 2005	<hr/> 386
At 31 October 2004	<hr/> 282

On 12 September 2005 the Group disposed of its 12.5% interest in the ordinary share capital of Windco LLC, a limited liability company incorporated in the USA which owns a generating wind farm, at a profit of £245,000.

The investment at the balance sheet date represents a 10% interest of the ordinary share capital in Wind Resources Limited, a company incorporated in Great Britain which owns two generating wind farms.

<b>Company</b>	<b>Subsidiary undertakings £'000</b>
<b>Cost</b>	
At 1 November 2004	22,000
Additions	14,959
	<hr/>
At 31 October 2005	36,959
<b>Net book value</b>	
At 31 October 2005	<hr/> 36,959
At 31 October 2004	<hr/> 22,000

As part of the Group restructuring on 1 March 2005 the Company purchased 100% of the share capital of RES-GEN Limited from its subsidiary Renewable Energy Systems Limited. This transaction was done by way of an intercompany transfer.

Principal subsidiary undertakings and joint ventures are listed in note 29 to the financial statements.

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 12. PROFIT ON DISPOSAL OF OPERATIONS

During the year the Group made a profit on the disposal of the following subsidiaries;

On 11 January 2005 the Group sold its Japanese subsidiary RES Winnex KK at a profit of £518,000. On 17 October 2005 the Group disposed of CEPE des Gravieres, a French subsidiary, at a profit of £9,000. The Group's profit for the financial year ended 31 October 2005 included £nil for RES Winnex KK (2004: loss of £337,000) and a loss of £12,000 for CEPE des Gravieres (2004 : £nil).

### 13. DEBTORS

Amounts falling due within one year:

	Group		Company	
	2005	2004	2005	2004
	£'000	£'000	£'000	£'000
Trade debtors	26,861	6,300	-	-
Amounts recoverable on contracts	767	87	-	-
Amounts owed by group undertakings	866	299	-	-
Amounts owed by subsidiary undertakings	-	-	6,801	-
Amounts owed by joint ventures	2,103	-	-	-
Value added tax	5,470	242	-	-
Other debtors	387	127	-	-
Corporation tax	1	-	-	-
Prepayments and accrued income	2,627	1,257	-	-
	<u>39,082</u>	<u>8,312</u>	<u>6,801</u>	<u>-</u>

Amounts falling due after more than one year:

	Group		Company	
	2005	2004	2005	2004
	£'000	£'000	£'000	£'000
Prepayments and accrued income	513	-	-	-
	<u>513</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debtors	<u>39,595</u>	<u>8,312</u>	<u>6,801</u>	<u>-</u>

### 14. CASH AT BANK AND IN HAND

Cash at bank and in hand includes amounts held for restricted purposes as follows: Group £12,811,000 (2004: £1,195,000); Company £nil (2004:£nil).

Of the restricted cash balance £9,387,000 (2004: £nil) has been sourced under financing arrangements to make payments to group companies under construction contracts due within 30 days; £2,565,000 (2004: £nil) is restricted as a form of guarantee against future equity requirements for projects under construction at the balance sheet date and the restriction will be lifted once the equity has been injected. The remaining balance relates to the cash collateralisation of a letter of credit issued to a supplier on a USA project and expires in August 2007. The restricted cash as at 31 October 2004 represented amounts held to secure future debt repayments under the financing arrangements existing at that time.

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	£'000	£'000	£'000	£'000
Bank loans (see note 22)	10,618	3,833	-	-
Trade creditors	34,878	5,325	-	-
Amounts owed to group undertakings	18	71	-	-
Amounts owed to subsidiary undertakings	-	-	22,384	-
Corporation tax	1,024	84	-	-
Value added tax	1,753	1,320	-	-
Other creditors	1,934	2,041	-	-
Accruals and deferred income	34,966	9,237	-	-
	<u>85,191</u>	<u>21,911</u>	<u>22,384</u>	<u>-</u>

### 16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	<u>2005</u>	<u>2004</u>
	£'000	£'000
Bank loans (see note 22)	97,534	31,894
Other creditors	4,944	4,322
Accruals and deferred income	886	-
	<u>103,364</u>	<u>36,216</u>



# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year 31 October 2005

### 17. PROVISIONS FOR LIABILITIES AND CHARGES

Group	Deferred taxation £'000	Other provisions £'000	Total £'000
At 1 November 2004	544	1,836	2,380
Exchange adjustment	(22)	3	(19)
Charged to the profit and loss account	1,779	1,514	3,293
Acquisition of a subsidiary	429	-	429
Other	63	-	63
Released unused	-	(231)	(231)
At 31 October 2005	<u>2,793</u>	<u>3,122</u>	<u>5,915</u>

Other provisions include amounts relating to the performance of wind farms £1,029,000 (2004: £475,000), construction warranties £1,140,000 (2004: £502,000) and pensions £809,000 (2004: £715,000). There are uncertainties relating to the timing of provisions payments.

Other deferred tax movements relate to Wind Farm Developments Limited now being accounted for as a joint venture previously accounted for as a joint arrangement.

The provision for deferred taxation has the following geographical breakdown:

	Group	
	2005 £'000	2004 £'000
United Kingdom	1,098	(64)
USA	228	(241)
Ireland	1,493	1,251
France	(26)	(402)
	<u>2,793</u>	<u>544</u>

Analysis of deferred taxation balance:

	Group	
	2005 £'000	2004 £'000
Accelerated capital allowances	7,493	4,947
Short term timing differences	(101)	431
Losses	<u>(4,599)</u>	<u>(4,834)</u>
	<u>2,793</u>	<u>544</u>

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 18. MINORITY INTEREST (INCLUDING NON-EQUITY INTERESTS)

#### GROUP

	Equity £'000	Non- equity £'000	Total £'000
As at 1 November 2004	(262)	(2,178)	(2,440)
Exchange rate adjustments	1	(15)	(14)
Charge to the profit and loss account	(38)	-	(38)
Acquisition of subsidiary undertaking (see note 9)	476	-	476
Disposals	-	2,193	2,193
At 31 October 2005	<u>177</u>	<u>-</u>	<u>177</u>

On 23 March 2005 the Group acquired the remaining 26% of the ordinary share capital of Cark Limited. On 28 January 2005 the Group purchased 100% of the non-equity ordinary A shares of Taurbeg Limited and on 11 March 2005 purchased 100% of the non-equity ordinary shares in MHB Wind Farms Limited.

### 19. CALLED UP SHARE CAPITAL

	<u>2005</u> £'000	<u>2004</u> £'000
Authorised :		
25,000,000 ordinary shares of £1 each	<u>25,000,000</u>	<u>25,000,000</u>
Allotted, called up and fully paid:		
22,000,000 ordinary shares of £1 each	<u>22,000,000</u>	<u>22,000,000</u>

### 20. RESERVES

	Merger reserve £'000	Other reserves £'000	Profit and loss account £'000	Total £'000
<b>Group</b>				
At 1 November 2004	9,584	(1,035)	9,682	18,231
Retained profit for the year	-	-	403	403
Net differences on exchange	-	319	-	319
At 31 October 2005	<u>9,584</u>	<u>(716)</u>	<u>10,085</u>	<u>18,953</u>

The only movement in reserves in the parent Company was the loss in the year of £624,000 (2004: £nil). As permitted by Section 230 of the Companies Act 1985, no profit and loss account of the parent Company is presented.

Other reserves comprise currency translation differences on foreign currency net investments.

The amount of goodwill charged directly to reserves prior to the introduction of FRS 10 was £192,956 (2004: £192,956).

# RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2005

### 21. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	Group		Company	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	£'000	£'000	£'000	£'000
Retained profit/(loss) for the year	403	9,630	(624)	-
Other recognised gains and losses relating to the year	319	(621)	-	-
Issue of new shares	-	21,000	-	22,000
Net addition to equity shareholders' funds	722	30,009	(624)	22,000
Opening equity shareholders' funds	40,231	10,222	22,000	-
Closing equity shareholders' funds	40,953	40,231	21,376	22,000

### 22. BORROWINGS

	Group	
	<u>2005</u>	<u>2004</u>
	£'000	£'000
<b>Bank loans are repayable by instalments as follows:</b>		
One year or less	10,618	3,833
Between one and two years	9,912	3,308
Between two and five years	34,518	11,181
In five years or more	53,104	17,405
	<u>108,152</u>	<u>35,727</u>

During the year the Group secured new bank loans to refinance its operating wind farm portfolio and to provide construction financing for new projects. Part of the proceeds were used to repay in full existing bank loans. The loans are repayable in non-equal instalments over 17 years and interest is payable at between 1-1.2% above LIBOR and EURIBOR. Interest rate swaps have been used to reduce the Group's exposure to fluctuating interest rates. The loans are secured by fixed and floating charges on the Group's operating wind farms and those in the course of construction and are arranged on a limited recourse basis, restricting the lenders' recourse to the assets of these project companies. Included in the loans are unamortised loan issue costs of £5,111,000 (2004: £1,167,000) which are being written off over the term of the loans.

## RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED

### NOTES TO THE FINACIAL STATEMENTS

Year ended 31 October 2005

#### 23. FINANCIAL COMMITMENTS

Capital commitments are as follows :

	<u>2005</u> <u>£'000</u>	Group <u>2004</u> <u>£'000</u>
Wind farm construction costs contracted for but not provided for	91,630	15,500
	<u>91,630</u>	<u>15,500</u>

These commitments are financed either by contracts for sale with third parties or by limited recourse bank loans.

Annual commitments for land and buildings under non-cancellable leases are as follows:

	<u>2005</u> <u>£'000</u>	Group <u>2004</u> <u>£'000</u>
Operating lease expiring:		
One year or less	19	32
Between one and two years	-	-
Between two and five years	147	12
In five years or more	468	353
	<u>634</u>	<u>397</u>

#### 24. CONTINGENT LIABILITIES

There were contingent liabilities in respect of guarantees and ordinary contract performance bonds given in the normal course of business.

#### 25. POST BALANCE SHEET EVENTS

On 26 January 2006 the Group sold a 20% share in its Swedish subsidiary, RES Skandinavien AB, for £0.7m.

#### 26. RELATED PARTY TRANSACTIONS

Renewable Energy Systems Holdings Limited is a wholly owned subsidiary of the Newarthill Limited group of companies and has taken advantage of the exemption which is conferred by Financial Reporting Standard No. 8, Related Party Disclosures, that allows it not to disclose transactions with 90% Group undertakings.

On 29 January 2005 a Group subsidiary, RES Wind Farm Holdings Limited, purchased the outstanding share capital of Taurbeg Limited. On 23 March 2005 RES Wind Farm Holdings Limited, purchased the outstanding share capital of Lendrum's Bridge (Holdings) Limited, MHB Wind Farms (Holdings) Limited and Altahullion Wind Farm Limited. Up to that date these companies were 50% owned joint arrangements of the Group.

There are no material related party transactions included in the consolidated profit and loss account for the year ended 31 October 2005.

## **RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

### **NOTES TO THE FINACIAL STATEMENTS**

**Year ended 31 October 2005**

#### **27. RETIREMENT BENEFITS**

The Company's subsidiary, Renewable Energy Systems Limited, is a member of the Newarthill Limited defined benefit pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Group. The pension cost relating to the scheme is assessed in accordance with the advice of a qualified actuary using the projected unit method. The latest actuarial valuation of the scheme was at 31 October 2003. At the date of the latest actuarial valuation, the market value of the schemes investments amounted to £216.5m and the actuarial valuation of these investments was sufficient to cover 90% of the benefits that had accrued to members.

The Group continues to prepare accounts under SSAP 24, Accounting for Pensions. Under SSAP 24, there is an amount accrued of £809,000 (2004: £715,000) included within other provisions relating to pension costs. Disclosures required under the transitional arrangements of Financial Reporting Standard No. 17, Retirement Benefits, are shown in the accounts of Newarthill Limited. These disclosures show the scheme to have a net deficit of £12.9m, after deferred tax. As the assets and liabilities of the pension scheme cannot be identified between the different companies within the scheme, no further disclosures are provided here.

The Company's subsidiary, Renewable Energy Systems Limited, is also a member of the Newarthill Limited defined contribution scheme, whereby employee contributions are matched by Company contributions. At the year end, the cost was £84,000 (2004: £43,000) and all such costs are expensed as incurred. At the year end there were no amounts outstanding, either by way of amounts owing or outstanding commitments.

#### **28. ULTIMATE PARENT COMPANY AND CONTROLLING INTEREST**

The immediate parent company is Sir Robert McAlpine Enterprises Limited. The ultimate parent company is Newarthill Limited, which is incorporated in Great Britain and registered in England and Wales and is the largest group for which consolidated accounts are available. Copies of the Group accounts can be obtained from Newarthill Limited, 40 Bernard Street, London WC1N 1LG.

The ultimate controlling party of the Company is The McAlpine Partnership Trust, of which certain of the trustees are Directors of Newarthill Limited and one is a Director of the Company.

## **RENEWABLE ENERGY SYSTEMS HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 October 2005**

#### **29. SUBSIDIARY UNDERTAKINGS AND JOINT VENTURES**

The following represent the principal subsidiaries and joint ventures as at 31 October 2005, all of whom are involved in the development and construction of wind farms or the production and sale of wind generated electricity. The proportion of voting rights held by the Group is the same as the proportion of shares held.

##### **Subsidiary undertakings**

Renewable Energy Systems Limited (100% - GB)

RES-GEN Limited (100% - GB)

Four Burrows Limited (100% - GB)

RES Skandinavien AB (100% - Sweden)

RES Americas Inc (100% - USA)

Dyffryn Brodyn Limited (100% - GB)

Cark Limited (100% - Republic of Ireland)

Eole-RES s.a. (100% - France)

CEPE du Souleilla (100% - France)

CEPE du Haut Cabardes (100% - France)

CEPE du Haut Languedoc (100% France)

CEPE de Cuxac (100% France)

CEPE des Claves (100% France)

RES Wind Farm Holdings Limited (100% - GB)

Renewable Energy Systems Asia Pacific Limited (100%-GB)

Renewable Energy Systems Construction Limited (100% - GB)

Renewable Energy Centre Limited (100% - GB)

Renewable Energy Systems UK Limited (100% - GB)

Renewable Energy Systems Europe Limited (100% - GB)

Forss Wind Farm Limited (100% - GB)

Altahullion Wind Farm Limited (100% - Northern Ireland)

Lendrum's Bridge (Holdings) Limited (100% - Northern Ireland)

Lendrum's Bridge Wind Farm Limited (100% - Northern Ireland)

Taurbeg Limited (100% - Republic of Ireland)

MHB Wind Farms (Holdings) Limited (100% - Republic of Ireland)

MHB Wind Farms Limited (100% - Republic of Ireland)

Black Hill Limited (100% - GB)

##### **Joint venture**

Wind Farm Developments Limited (50% - Northern Ireland)