

Company Registration number
(England and Wales)
04956455

SCOUT MOOR WIND FARM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS

Year Ended
31 December 2016

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SCOUT MOOR WIND FARM LIMITED
Annual report and financial statements
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SCOUT MOOR WIND FARM LIMITED
Company Information

Directors

Barbara Saller (resigned 28 February 2017)
Ian Gentles
Nils Klatt
Achim Stegner (resigned 28 February 2017)

Secretary

Derek Henderson (appointed 26 August 2016)
Daimon Riley (resigned 26 August 2016)

Auditors

KPMG LLP
Botanic House
100 Hills Road
Cambridge
CB2 1AR

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Registered office

c/o Great Lakes Reinsurance (UK) SE
Plantation Place
30 Fenchurch Street
London
EC3M 3AJ

Registered number

04956455

SCOUT MOOR WIND FARM LIMITED

Registered number: 04956455

Strategic Report

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the company is to operate the Scout Moor Wind Farm.

Business Review

The Directors were satisfied with the performance of Scout Moor Wind Farm and the results of the Company for the year. Electricity income generated by the wind turbines at Scout Moor Wind Farm for the year was £12.14 million (year ended 31 December 2015 : £14.68 million).

Profit before tax for the year was £4.52 million (year ended 31 December 2015 : £7.87 million). Average wind speed for the year was 7.14 m/s (year ended 31 December 2015 : 7.64 m/s).

Future income is dependent upon output of electricity. Management monitor and seek to maximise the key performance indicators of turbine availability and site availability.

The Directors do not consider it necessary to detail any key performance indicators for the purposes of this report other than those detailed within these financial statements.

Risks and Uncertainties

The principal aim of the company is to maximise long term results whilst minimising risks. The directors have appointed a management team to ensure that key risks are clearly identified and to establish systems and processes to manage and mitigate those risks. The directors consider the following to be the major risks affecting the company:

- Interest rates;
- Wind resource;
- Technological or mechanical failure;
- Electricity prices; and
- Ability to provide electricity generation services.

Risks are mitigated by the use of an interest rate swap, insurance policies, and by entering into management services and maintenance contracts for on-going wind farm monitoring and servicing.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in Note 1 of the financial statements.

This report was approved by the board on 11 May 2017 and signed on its behalf.



Nils Klatt
Director



Ian Gentles
Director

SCOUT MOOR WIND FARM LIMITED

Registered number: 04956455

Directors' Report

The directors present their annual report and financial statements for the year ended 31 December 2016. The company has elected to adopt FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Please see note 1 to the accounts for details.

Results and dividends

The Company made a profit for the year to 31 December 2016 of £3.3million (December 2015 : £6.3 million).

Dividends of £3,850,000 were paid in the year (31 December 2015: £3,256,882).

Directors

The following persons served as directors during the year:

Barbara Saller (resigned 28 February 2017)

Ian Gentles

Nils Klatt

Achim Stegner (resigned 28 February 2017)

The directors who held office at 31 December 2016 had no interest in the shares in, or debentures or loan stock of the company or group companies.

Political donations

The company made no political donation or incurred any political expenditure during the year (2015 £nil).

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he/she is aware, there is no relevant audit information of which the company's auditor is unaware; and
- He/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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.

Strategic report

The principal activities of the Company, a business review, principle risks and uncertainties of the Company and risk management objectives and policies have not been included in this report as they are disclosed in the Strategic Report.

This report was approved by the board on 11 May 2017 and signed on its behalf.



Nils Klatt

Director

c/o Great Lakes Reinsurance (UK) SE
Plantation Place
30 Fenchurch Street
London
EC3M 3AJ



Ian Gentles

Director

SCOUT MOOR WIND FARM LIMITED

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditors' Report To The Member Of Scout Moor Wind Farm Limited

We have audited the accounts of SCOUT MOOR WIND FARM LIMITED for the year ended 31 December 2016, set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

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 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 explained more fully in the Statement of Directors' Responsibilities, set out on page 4, the directors are 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 website 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 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

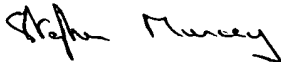
- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Independent Auditors' Report To The Member Of Scout Moor Wind Farm 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.



Stephen Muncey (Senior Statutory Auditor)

for and on behalf of KPMG LLP
Accountants and Statutory Auditors

Date: 11 May 2017

Botanic House
100 Hills Road
Cambridge
CB2 1AR

SCOUT MOOR WIND FARM LIMITED
Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2016

	Notes	2016 £	2015 £
Turnover	2	12,144,042	14,675,776
Cost of sales		(2,996,840)	(2,956,640)
Gross profit		<u>9,147,202</u>	<u>11,719,136</u>
Administrative expenses	3	(3,582,565)	(3,145,803)
Other operating income		78,222	-
Operating profit		<u>5,642,859</u>	<u>8,573,333</u>
Interest receivable	4	365,075	1,006,852
Interest payable	5	(1,485,272)	(1,714,519)
Profit before taxation		<u>4,522,662</u>	<u>7,865,666</u>
Tax on profit	6	(1,198,107)	(1,556,181)
Profit after taxation		<u>3,324,555</u>	<u>6,309,485</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>3,324,555</u>	<u>6,309,485</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The accompanying notes on pages 10 to 17 are an integral part of the financial statements.

SCOUT MOOR WIND FARM LIMITED
Registered number: 04956455
Balance Sheet
as at 31 December 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	7	49,386,197	52,273,315
Current assets			
Debtors	8	3,045,941	4,245,199
Cash at bank and in hand		3,683,080	4,171,842
		<u>6,729,021</u>	<u>8,417,041</u>
Creditors: amounts falling due within one year	9	(5,926,484)	(6,490,907)
Net current assets		<u>802,537</u>	<u>1,926,134</u>
Total assets less current liabilities		<u>50,188,734</u>	<u>54,199,449</u>
Creditors: amounts falling due after more than one year	10	(18,655,840)	(22,272,623)
Provisions for liabilities	13	(3,645,991)	(3,514,478)
Net assets		<u>27,886,903</u>	<u>28,412,348</u>
Capital and reserves			
Called up share capital	14	1,400,002	1,400,002
Profit and loss account		26,486,901	27,012,346
Shareholder's funds		<u>27,886,903</u>	<u>28,412,348</u>

The accompanying notes on pages 10 to 17 are an integral part of the financial statements.



Nils Klatt
Director

Approved by the board on 11 May 2017



Ian Gentles
Director

SCOUT MOOR WIND FARM LIMITED
Statement of Changes in Equity
for the year ended 31 December 2016

	Called up Share capital £	Profit and loss account £	Total Equity £
At 1 January 2015	1,400,002	23,959,743	25,359,745
Total comprehensive income for the period			
Profit for the financial year	-	6,309,485	6,309,485
Transactions with owners, recorded directly in equity			
Dividends	-	(3,256,882)	(3,256,882)
At 31 December 2015	<u>1,400,002</u>	<u>27,012,346</u>	<u>28,412,348</u>
At 1 January 2016	1,400,002	27,012,346	28,412,348
Total comprehensive income for the period			
Profit for the financial year	-	3,324,555	3,324,555
Transactions with owners, recorded directly in equity			
Dividends	-	(3,850,000)	(3,850,000)
At 31 December 2016	<u>1,400,002</u>	<u>26,486,901</u>	<u>27,886,903</u>

The accompanying notes on pages 10 to 17 are an integral part of the financial statements.

SCOUT MOOR WIND FARM LIMITED
Notes to the financial statements
for the year ended 31 December 2016

1 Accounting policies

Accounting convention and basis of preparation

SCOUT MOOR WIND FARM LIMITED (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 04956455 and the registered address is c/o Great Lakes Reinsurance (UK) SE, Plantation Place, 30 Fenchurch Street, London, EC3M 3AJ.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments.

The Company's ultimate parent undertaking, Münchener Rückversicherungsgesellschaft AG includes the Company in its consolidated financial statements. The consolidated financial statements of Münchener Rückversicherungsgesellschaft AG are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Königinstrasse 107, 80802 Munich, Germany. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

As detailed in note 11 the company has a debt of £20.3 million as at 31 December 2016, which is provided through a secured facility. The £20.3 million is due for repayment in staged payments through to December 2022. To date there have been no breaches in the covenants relating to the company's facilities.

The company's cash flow forecasts do not project any breaches of covenants. However whilst the company has a sound business model based on long term electricity sales contracts, there remain a number of uncertainties which may affect the company's ability to remain within the covenants for its banking facilities. A summary of risks is included within the Strategic report and the company has a good track record of managing such uncertainties. Having considered these factors the Directors are confident that the company is well placed to manage its business risks satisfactorily.

Accordingly, based on the above and the understanding of the company's long term forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore they continue to adopt the going concern basis in preparing the annual report and accounts.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

SCOUT MOOR WIND FARM LIMITED
Notes to the financial statements
for the year ended 31 December 2016

1 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Financial instruments not considered to be Basic financial instruments (Other financial instruments)

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The Company has entered into an interest rate swap agreement. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. The company assesses at each reporting date whether tangible fixed assets are impaired.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

Wind farm assets - 25 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Expenses

Operating Leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred.

Interest receivable and Interest payable

Interest payable and similar expenses include interest payable, finance expenses on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

SCOUT MOOR WIND FARM LIMITED
Notes to the financial statements
for the year ended 31 December 2016

1 Accounting policies (continued)

Turnover

Turnover is recognised on supply of electricity generated by the wind farm.

Turnover is exclusive of Value Added Tax and consists of sales of renewable energy, together with revenue earned under the Renewable Obligation regime from the sale of Renewable Obligation Certificates ("ROCs"), and recycled Renewable Obligation Certificates ("Recycled ROCs").

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

SCOUT MOOR WIND FARM LIMITED
Notes to the financial statements
for the year ended 31 December 2016

2 Turnover	2016 £	2015 £
Generation of electricity	<u>12,144,042</u>	<u>14,675,776</u>

The turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Expenses and auditor's remuneration	2016 £	2015 £
<i>Auditor's remuneration:</i>		
Audit of these financial statements	7,411	9,188
Taxation services	2,670	4,337
Depreciation of owned tangible fixed assets	2,890,882	2,826,405
	<u>2,900,963</u>	<u>2,839,930</u>

4 Other interest receivable and similar income	2016 £	2015 £
Net gain on financial liabilities measured at fair value through profit and loss	358,644	999,277
Bank interest receivable	6,431	7,550
Other interest receivable	-	25
	<u>365,075</u>	<u>1,006,852</u>

5 Interest payable and similar charges	2016 £	2015 £
Interest payable on financial liabilities at amortised cost	1,485,272	1,709,861
Other interest payable	-	4,658
	<u>1,485,272</u>	<u>1,714,519</u>

Including interest paid to group undertakings of:

	-	3,647
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SCOUT MOOR WIND FARM LIMITED
Notes to the financial statements
for the year ended 31 December 2016

6 Taxation

	2016 £	2015 £
<i>Current year UK tax</i>		
Current tax on income for the year	1,030,625	1,626,247
Adjustments in respect of prior periods	35,969	-
Total current tax charge	1,066,594	1,626,247
Deferred tax		
Origination and reversal of timing differences	86,564	119,945
Adjustments in respect of prior periods	49,277	(3,558)
Rate change	(4,328)	(186,453)
Deferred tax charge / (credit)	131,513	(70,066)
Total tax charge for the year	1,198,107	1,556,181

	2016		2015	
	Current tax	Deferred tax	Current tax	Deferred tax
Recognised in Profit and loss account	1,066,594	131,513	1,626,247	(70,066)
Total tax charge / (credit)	1,066,594	131,513	1,626,247	(70,066)

	2016 £	2015 £
Reconciliation of effective tax rate		
Profit for the year	3,324,555	6,309,485
Total tax expense	1,198,107	1,556,181
Profit excluding taxation	4,522,662	7,865,666
Tax using UK corporation tax rate of 20% (2015: 20.25%)	904,532	1,592,797
Non-deductible expenses	248,626	153,395
Adjustments to tax in respect of previous periods	49,277	(3,558)
Rate change on closing balances	(4,328)	(186,453)
Total tax expense included in profit and loss	1,198,107	1,556,181

Factors affecting future tax charges:

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

The amount of net deferred tax expected to unwind in the year beginning after the reporting period cannot be estimated with certainty. The calculation of deferred tax has been prepared based on a reasonableness estimation of when the timing difference will unwind with reference to the future tax rates substantively enacted at the balance sheet date.

SCOUT MOOR WIND FARM LIMITED
Notes to the financial statements
for the year ended 31 December 2016

7 Tangible fixed assets

	Wind farm £
Cost	
At 1 January 2016	71,990,184
Additions	<u>3,764</u>
At 31 December 2016	<u>71,993,948</u>
Depreciation	
At 1 January 2016	19,716,869
Charge for the year	<u>2,890,882</u>
At 31 December 2016	<u>22,607,751</u>
Net book value	
At 31 December 2016	<u>49,386,197</u>
At 31 December 2015	<u>52,273,315</u>

8 Debtors

	2016 £	2015 £
Trade debtors	-	370,290
Prepayments	422,566	438,082
Accrued income	2,558,375	3,371,827
Deposits held	<u>65,000</u>	<u>65,000</u>
	<u>3,045,941</u>	<u>4,245,199</u>

9 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	3,740,590	3,549,189
Trade creditors	95,403	486,117
Amounts owed to group undertakings	1,106,804	317,882
Accruals	186,165	261,625
Other financial liabilities	466,096	948,547
Taxation and social security costs	197,029	761,227
Other creditors	<u>134,397</u>	<u>166,320</u>
	<u>5,926,484</u>	<u>6,490,907</u>

10 Creditors: amounts falling due after one year

	2016 £	2015 £
Bank loans	16,588,804	20,329,394
Other financial liabilities	<u>2,067,036</u>	<u>1,943,229</u>
	<u>18,655,840</u>	<u>22,272,623</u>

SCOUT MOOR WIND FARM LIMITED
Notes to the financial statements
for the year ended 31 December 2016

11 Interest-bearing loans and borrowings	2016	2015
	£	£
Secured bank loans		
Due within 1 year	3,740,590	3,549,189
Due within 1-2 years	3,960,703	3,740,590
Due within 2-5 years	11,958,683	12,369,621
Due after more than 5 years	669,418	4,219,183
	<u>20,329,394</u>	<u>23,878,583</u>

The Barclays bank loan is secured by a legal charge on Scout Moor Wind Farm and bears interest at LIBOR plus an applicable margin of 0.95% per annum. The loan currency is sterling, has a maturity date of 31 December 2022, and a 6-monthly repayment schedule.

12 Other financial liabilities	2016	2015
	£	£
Amounts falling due after more than one year		
Interest rate swap measured at fair value through profit and lo	2,067,036	1,943,229
Amounts falling due within one year		
Interest rate swap measured at fair value through profit and lo	466,096	948,547
	<u>2,533,132</u>	<u>2,891,776</u>

The financial liability measured at fair value through profit and loss is an interest rate swap instrument which contracts the company to make fixed payments at a rate of 5.128% and receive floating interest LIBOR based receipts. It covers £20,329,394 of the Barclays bank loan borrowings and has a maturity date of December 2022.

13 Deferred tax assets and liabilities

	Assets		Liabilities		Net	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	£	£	£	£	£	£
Accelerated capital allowances		-	3,707,633	3,619,038	3,707,633	3,619,038
Capitalised interest		-	529,798	560,810	529,798	560,810
Other	(591,440)	(665,370)		-	(591,440)	(665,370)
Total tax	<u>(591,440)</u>	<u>(665,370)</u>	<u>4,237,431</u>	<u>4,179,848</u>	<u>3,645,991</u>	<u>3,514,478</u>

The deferred tax liability in relation to accelerated capital allowances and capitalised interest is expected to reverse over the next 18 years in line with the remaining tangible fixed asset life.

14 Capital and reserves	2016	2015
Share capital	£	£
Allotted, called up and fully paid		
1,400,002 Ordinary shares of £1 each	1,400,002	1,400,002
Shares classified in capital and reserves	<u>1,400,002</u>	<u>1,400,002</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

SCOUT MOOR WIND FARM LIMITED
Notes to the financial statements
for the year ended 31 December 2016

15 Financial Instruments

	2016	2015
	£	£
<i>The carrying amount of financial liabilities include:</i>		
Interest rate swap measured at fair value through profit and loss	2,533,132	2,891,776
Loan commitments measured at cost less impairment	20,329,394	23,878,582
	<u>22,862,526</u>	<u>26,770,358</u>

16 Operating Leases

	2016	2015
	£	£
Minimum lease payments falling due:		
Within 1 year	145,131	141,599
Within 2-5 years	580,524	566,396
After 5 years	2,222,303	2,265,584
	<u>2,947,958</u>	<u>2,973,579</u>

The company has financial commitments under non-cancellable operating leases for land rentals (30 year terms expiring December 2036). The land rentals payable are the higher of the minimum annual lease payments and a variable rent linked to the level of future income from electricity generation. The detailed conditions are not disclosed for reasons of commercial sensitivity.

17 Employees

There were no employees during the year or prior period apart from the directors. No director received any remuneration for their services to the company (year ended 31 December 2015: £nil).

18 Related parties

Identity of related parties with which the Company has transacted

The Company's immediate parent company is Scout Moor Holdings (No 2) Ltd, a company incorporated in England and Wales. A shareholder loan agreement is in place between the Company and its immediate parent. The ultimate controlling party is Münchener Rückversicherungsgesellschaft AG which has a 100% ownership through the group structure.

The company has taken advantage of the exemptions conferred by Section 33.1A of FRS 102 and has not disclosed related party transactions for wholly owned companies within the group.

19 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Münchener Rückversicherungsgesellschaft AG, which is the ultimate parent company incorporated in Germany.

The largest and smallest group in which the results of the Company are consolidated is that headed by Münchener Rückversicherungsgesellschaft AG. The consolidated financial statements of this group are available to the public and may be obtained from Königinstrasse 107, 80802 Munich, Germany.

20 Non adjusting events after the financial period

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.