HALL FARM WIND FARM LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2013

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COMPANIES HOUSE

Registered Number 06815807

DIRECTORS AND ADVISORS

Directors
A K Harmer (appointed 1 November 2013)
R McArthur (appointed 1 November 2013, resigned 31 March 2014)
O G Alexander (resigned 1 November 2013)
H Bright (resigned 1 November 2013)
R Gonzalez (resigned 1 November 2013)
C J Tanner (appointed 31 March 2014)

Company secretary and registered office
M Lewis
1 Kingsway
London
WC2B 6AN

Auditor
Deloitte LLP
Chartered Accountants & Registered Auditor

Principal bankers
Royal Bank of Scotland plc
280 Bishopsgate
London
EC2M 4RB

DIRECTORS' REPORT

The Directors submit their Annual Report and the audited financial statements for the period ended 31 December 2013.

The Director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The Company, which was acquired by JL Hall Farm Holdings Limited on 1 November 2013 from its previous shareholders AL (Routh) Limited and Hall Farm Holdings Limited, is a wholly owned subsidiary of JL Hall Farm Holdings Limited, and in turn a wholly owned subsidiary of John Laing Investments Limited.

During the year the Company's reporting reference date was change from 31 March to 31 December.

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The principal activity of the Company is the design, build, finance and operation of a wind farm. The construction of the wind farm was completed during 2013 and the wind farm fully was commissioned in February 2013.

There have not been any significant changes in the Company's principal activities in the period under review.

The Directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate. More information is provided in note 1 to the financial statements.

No strategic report has been prepared in accordance with the provision applicable to companies entitled to the small companies exemption.

POST BALANCE SHEET EVENT

On 31 March 2014, 100% of the shares in the Company's parent undertaking were sold to John Laing Environment Assets Group (UK) Limited. The sale is not expected to result in any changes to the Company's principal activities.

FUTURE DEVELOPMENTS

The Directors are not aware, at the date of this report, of any major changes in the Company's activities in the next year.

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a number of financial risks including credit risk and cash flow risk.

Cash flow risk: The Company's borrowings expose it to cash flow risk primarily due to the financial risks of changes in interest rates. The Company uses interest rate swap contracts to mitigate these exposures.

Credit Risk: The Company's principal financial assets are cash and trade and other receivables. The Company's credit risk is primarily attributable to its trade receivables which are with one counterparty.

Exposure to market prices: The Company is exposed to long term electricity market prices. We are currently monitoring the electricity market and a 15 year Purchase Power Agreement has been entered into, effective from the start of commercial operations. We continue to monitor the market.

Wind / energy yield risk – the Company has, in preparing the project, engaged consultants to assess long term wind predictions and consequent energy yield for the given turbines. It is recognised that while best practice methodologies were used to the Banks satisfaction, there still remains a risk that wind and energy yield may be less (or more) than modelled. The project was financed on an assumption that realistic downsides would not materially jeopardise the project. The Company will continue to monitor performance against the modelled plan.

DISCLOSURE OF INFORMATION TO THE AUDITOR

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

DIRECTORS

The Directors who served throughout the period, except as noted, are shown on page 1.

EMPLOYEES

Details of the number of employees and related costs can be found in note 4 to the financial statements on page 10.

AUDITOR

Deloitte LLP was appointed as auditor on 14 March 2014. Pursant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

On behalf of the Board

A K Harmer
Director

20 June 2014

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HALL FARM WIND FARM LIMITED

We have audited the financial statements of Hall Farm Wind Farm Limited for the period ended 31 December 2013 which comprise the profit and loss account, the balance sheet and the related notes 1 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).

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 auditor

As explained more fully in the Directors' Responsibilities Statement, 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 opion 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31 December 2013 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Company was not entitled to take advantage of the small companies exemption in preparing the the Strategic Report or in preparing the Directors' Report.

Ross Howard (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
20 June 2014

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2013

	Notes	Period from 1 April 2013 to 31 December 2013	Period from 1 January 2012 to 31 March 2013 Restated*
		£	£
Turnover		**3,247,530**	489,654
Cost of sales		**(626,273)**	(15,000)
Gross profit		**2,621,257**	474,654
Administrative expenses		**(1,025,459)**	(138,641)
Operating profit	2	**1,595,798**	336,013
Interest payable	5	**(1,112,065)**	(5,249)
Profit on ordinary activities before taxation		**483,733**	330,764
Tax on profit on ordinary activities	6	**(141,309)**	(51,536)
Profit for the period	14	**342,424**	279,228

A reconciliation of movements in shareholders' funds is given in note 15.

All items in the profit and loss account relate to continuing operations.

There is no material difference between the results stated in the profit and loss account and their historical cost equivalents.

All gains and losses are recognised in the profit and loss account in the current and preceding period, and therefore no separate statement of total recognised gains and losses has been presented.

* Comparative information, including related notes, has been restated. Details are given in note 1.

BALANCE SHEET AS AT 31 DECEMBER 2013

	Notes	31 December 2013	31 March 2013 Restated*
		£	£
Fixed assets			
Tangible fixed assets	7	**29,928,060**	30,856,862
Current assets			
Debtors - due within one year	8	**2,201,787**	699,747
Cash at bank and in hand		**302,932**	1,293,932
		2,504,719	1,993,679
Current liabilities			
Creditors: amounts falling due within one year	9	**(3,216,403)**	(4,803,786)
Net current liabilities		**(711,684)**	(2,810,107)
Total assets less current liabilities		**29,216,376**	28,046,755
Creditors: amounts falling due after more than one year	9	**(28,443,760)**	(27,760,589)
Provisions for liabilities	11	**(271,403)**	(127,426)
Net assets		**501,213**	158,740
Capital and reserves			
Called up share capital	13	**50**	1
Profit and loss account	14	**501,163**	158,739
Shareholder's funds	15	**501,213**	158,740

The financial statements of Hall Farm Wind Farm Limited, registered number 06815807, were approved by the Board of Directors and authorised for issue on 20 June 2014. They were signed on its behalf by:

* Comparative information, including related notes, has been restated. Details are given in note 1.

A K Harmer
Director
20 June 2014

Notes to the financial statements for the period ended 31 December 2013

1 ACCOUNTING POLICIES

a) Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. A summary of the principal accounting policies adopted by the Directors, which have been applied consistently throughout the current and restated preceding period, is shown below.

The Company is a wholly owned subsidiary undertaking of Henderson Infrastructure Holdco (Jersey) Limited and as such is exempt under FRS1 (revised 1996) from the requirement to prepare its own cash flow statement.

The current economic conditions create some uncertainty with respect to:
(a) the ability of key sub-contractors to continue to meet contractual commitments;
(b) the ability of the debt provider to continue to meet its contractual commitments; and
(c) the ability of the SWAP provider to continue to meet their commitments.

The Directors have also considered the ability of the customer to continue to pay amounts due to the Company under the Power Purchase Agreement and do not consider this to be a material risk.

The Company's forecasts and projections, taking account of reasonably possible changes in environmental conditions, wind turbines and counterparty performance, show that the Company expects to be able to continue to operate.

After making these 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 annual report and accounts.

Restatement

Following the change in ownership of the Company on 1 November 2013, the Directors reviewed the financial statements of the Company for the period ending 31 March 2013 and identified a number of errors and omissions which have been corrected in the financial statements for the period ending 31 December 2013 by way of restating comparative information for the period ending 31 March 2013. The following adjustments correct for a material omission in accruals relating to the construction of fixed assets which completed in February 2013. The adjustments also correct for the omission of a provision in relation to decommissioning obligations at the end of the site licence period. Other adjustments, which are not considered fundamental errors or omissions, have been recognised for completeness. Details of the impact of the restatements are given below.

	Impact of restatement on Profit and loss	Impact of restatement on Net assets
Adjustment 1: Recognise unaccrued construction costs		
Fixed assets - cost		2,980,561
Creditors due within one year - Accruals		(2,980,561)
Adjustment 2: Recognise the present value of a decommissioning provision		
Fixed assets - cost		75,890
Provisions		(75,890)
Adjustment 3: Reclassify arrangement fees		
Creditors due within one year - Unamortised debt issue costs		58,143
Creditors due after more than one year - Unamortised debt issue costs		558,907
Fixed assets - Cost		(617,050)
Adjustment 4: Capitalise arrangement fee amortisation during construction		
Fixed assets - cost		33,604
Creditors due after more than one year - Unamortised debt issue costs		(33,604)

Notes to the financial statements for the period ended 31 December 2013

ACCOUNTING POLICIES (continued)

	Impact of restatement on Profit and loss	Impact of restatement on Net assets
Adjustment 5: Recognise depreciation for the period post construction completion		
Administrative expenses - Depreciation charge	(103,200)	
Fixed assets - Accumulated depreciation		(103,200)
Adjustment 6: Expense capitalised rent		
Administrative expenses	(26,426)	
Fixed assets - cost		(26,426)
Adjustment 7: Arrangement fee amortisation for the period post construction		
Interest payable - Amortised debt issue costs	(4,718)	
Creditors due after more than one year - Unamortised debt issue costs		(4,718)
Adjustment 8: Reclassify Interest payable from Administrative expenses		
Interest payable	(531)	
Administrative expenses	531	
Adjustment 9: Restate deferred tax liability due to restated fixed asset		
Tax charge	17,388	
Deferred tax provision		17,388

Restated balances in the Primary Statements	Balance at 31 March 2013	Impact of restatement	Restated balance at 31 March 2013
Fixed assets	28,513,483	2,343,379	30,856,862
Creditors due within one year	(1,881,575)	(2,922,418)	(4,803,993)
Creditors due after more than one year	(28,280,967)	520,585	(27,760,382)
Provisions	(68,924)	(58,502)	(127,426)
Profit and loss account	275,695	(116,956)	158,739
Administrative expenses	(9,546)	(129,095)	(138,641)
Interest payable	-	(5,249)	(5,249)
Tax on profit on ordinary activities	(68,924)	17,388	(51,536)

b) Turnover

Turnover is derived from the sale of electricity to a third party energy supplier and the sale of renewable energy certificates. Income from the sale of electricity and renewable energy certificates is recognised as the energy is generated based on amounts agreed with third parties. All amounts are stated net of VAT.

c) Taxation

Current tax, including United Kingdom Corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

In accordance with FRS19 'Deferred Tax', deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are not discounted.

d) Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Plant and machinery 25 years

Notes to the financial statements for the period ended 31 December 2013

ACCOUNTING POLICIES (continued)

e) Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

f) Finance costs

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

g) Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the profit or loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

h) Cash

Cash comprise cash at bank and in hand and short term deposits with original maturity of less than three months.

i) Financial Instruments

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

j) Debt issue costs

Costs incurred following the issue of debt are held on the balance sheet and charged to the profit and loss account over the period that the relevant debt is held.

k) Decommissioning costs

The Company is liable for decommissioning costs at the end of the licence period to return the wind farm site to its original state and condition. The key assumptions for the value in use calculations are those regarding the discount rates, inflation rates and expected costs. There is uncertainty at the present time about the exact timing and quantum of these costs. A provision for decommissioning has been recognised based on the Directors' best estimate of the decommissioning obligation. The estimated future cash outflows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

l) Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction, except where a forward contract is entered into to settle the transaction, in which case the contracted rate is used. Exchange differences are taken into account in arriving at the operating profit.

Notes to the financial statements for the period ended 31 December 2013 (continued)

2 OPERATING PROFIT

	Period from 1 April 2013 to 31 December 2013	Period from 1 January 2012 to 31 March 2013 Restated*
	£	£
Operating profit is stated after charging:		
Fees payable to the Company's previous auditors for the audit of the Company	**-**	5,500
Fees payable to the Company's current auditors for the audit of the Company	**3,565**	-
Net profit on foreign currency translation	**10,782**	(7,845)
Depreciation*	**928,802**	103,200

* The depreciation charge in the comparative period has been restated to include a charge for the period post construction completion. See note 1 for details

3 DIRECTORS' REMUNERATION

No directors received any remuneration for services to the Company during the current or prior period. The Company is managed by secondees from the shareholders under a management services contract.

4 STAFF NUMBERS

The Company had no employees during the period (period ending 31 March 2013 - nil).

5 NET INTEREST PAYABLE

	Period from 1 April 2013 to 31 December 2013	Period from 1 January 2012 to 31 March 2013 Restated*
	£	£
Interest payable and similar charges		
Interest payable on bank loans and overdrafts	**(539,886)**	(531)
Interest payable to parent undertaking	**(66,543)**	-
Interest payable to previous shareholders	**(459,361)**	
Amortised debt issue costs	**(43,607)**	(4,718)
Discount unwind on provision	**(2,668)**	-
Net interest payable	**(1,112,065)**	(5,249)

* Comparative information has been restated to include a charge in relation to the amortisation of debt issue costs and to reclassify interest payable on bank loans and overdrafts from Administrative expenses. See note 1 for details.

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	Period from 1 April 2013 to 31 December 2013	Period from 1 January 2012 to 31 March 2013
	£	£
Analysis of charge for the period		
Deferred tax:		
Capital allowances	**584,565**	86,473
Losses	**(422,060)**	(34,937)
Rate change	**(21,196)**	-
Total Deferred tax (note 11)	**141,309**	51,536
Total tax charge on profit on ordinary activities	**141,309**	51,536

Notes to the financial statements for the period ended 31 December 2013 (continued)

6 TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

Factors affecting the tax charge for the current and preceding period

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax are as follows:

	Period from 1 April 2013 to 31 December 2013 £	Period from 1 January 2012 to 31 March 2013 Restated* £
Profit for the period	**483,733**	330,764
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.0% (period ending 31 March 2013 - 24.4%)	**(111,259)**	(80,706)
Effects of:		
Expenses not deductible for tax purposes	**(51,246)**	(11,568)
Origination and reversal of timing differences	**162,505**	92,274
Total current tax for the period	**-**	-

The Company has no current tax charge for the period.

* Comparative information reflects the restatement of certain balances in profit and loss for the comparative period. See note 1 for details.

7 TANGIBLE FIXED ASSETS

	Plant and Equipment
Cost	
Restated balance at 1 April 2013*	30,960,062
At 31 December 2013	**30,960,062**
Accumulated Depreciation	
Restated balance at 1 April 2013**	(103,200)
Charge for the Period	(928,802)
At 31 December 2013	**(1,032,002)**
Net book value	
At 31 December 2013	**29,928,060**
At 31 March 2013*,**	30,856,862

* Restated to include accrued construction costs and to capitalise the present value of estimated decommissioning obligations.
** Restated to include depreciation for the period post construction completion in February 2013. See note 1 for details.

8 DEBTORS

	31 December 2013 £	31 March 2013 £
Due within one year:		
Trade debtors	**649,428**	-
Prepayment and accrued income	**1,531,335**	684,254
Other taxation and social security	**21,024**	15,493
	2,201,787	699,747

Notes to the financial statements for the period ended 31 December 2013 (continued)

9 CREDITORS

	31 December 2013	31 March 2013 Restated*
	£	£
Amounts falling due within one year		
Bank loan and overdraft (note 10)	1,641,502	1,205,428
Less: unamortised debt issue costs	(58,307)	(58,350)
Amounts owed to parent undertaking	1,127,848	-
Trade creditors	129,133	65,738
Accruals and deferred income	376,227	3,590,970
	3,216,403	4,803,786
Amounts falling due after more than one year		
Bank loan and overdraft (note 10)	22,349,923	21,198,165
Less: unamortised debt issue costs	(476,813)	(520,378)
Amounts owed to parent undertaking (note 10)	6,570,650	-
Amount owed to previous shareholders	-	7,082,802
	28,443,760	27,760,589

	31 December 2013	31 March 2013 Restated*
	£	£
Analysis of debt:		
Debt can be analysed as falling due:		
In one year or less	2,769,350	1,205,428
Between one and two years	2,179,946	2,568,344
Between two and five years	4,969,795	4,190,904
In five years or more	21,770,832	21,521,719
	31,689,923	29,486,395
Less: unamortised debt issue costs	(535,120)	(578,728)
	31,154,803	28,907,667

* Comparative information has been restated to reflect unamortised debt issue costs, which were previously included within fixed assets. See note 1 for details.

10 LOANS

Bank loans

The Company has a term loan facility of £24,000,000, of which £23,282,447 was drawn and outstanding at 31 December 2013 (31 March 2013 - £22,403,063).

The term loan is repayable in instalments by 31 December 2029, based on an agreed percentage amount of the total amount drawn down date. Repayments commenced on 30 June 2013. Interest on the term loan is charged at a variable interest rate of LIBOR plus a margin, initially at 2.60%, stepping up to 4.25% over the period of the loan.

In December 2011, as part of its interest rate management and in accordance with the terms of its credit agreement, the Company entered into an interest rate swap maturing on 31 December 2022. The notional amount of the interest rate swap as at 31 December 2013 was £22,742,191 (31 March 2013 - £23,650,087). Under the swap, the company receives interest on a variable basis and pays interest at a fixed rate of 2.61%.

The fixed interest rate swap, which was entered into to mitigate the interest exposure of the Company, had a positive fair value at 31 December 2013 of £83,742 (31 March 2013 - negative fair value of £1,569,102).

There is a fixed and floating charge dated 8 December 2011 over the assets of the company and a legal assignment dated 9 January 2012 over the TSA Advance payment Bond. There is also a charge in the form of a Decommissioning Bond dated 1 October 2012 over tenant covenants in a lease of premises at The Routh Estate, Beverley, against any loss expenses and costs and damages that may incur from a breach in the lease.

Overdraft

The Company had an overdraft balance at 31 December 2013 of £708,978 (31 March 2013 - £530). Interest is charged on the overdraft at 5% above the Bank of England base rate.

Subordinated debt

The Company also has a £6,529,083 unsecured subordinated debt fixed rate loan bearing an interest rate of 12.0% per annum in issue and currently outstanding at 31 December 2013 (31 March 2013 - £6,048,987). The loan is repayable on demand. Accrued interest outstanding on the subordinated debt at 31 December was £1,169,414 (31 March 2013 - £1,033,816).

Notes to the financial statements for the period ended 31 December 2013 (continued)

11 Provisions

	Deferred tax	Decommissioning provision	Total
	£	£	£
Restated balance at 1 April 2013*	51,536	75,890	127,426
Charge for the period	141,309	-	141,309
Discount unwind on provision	-	2,668	2,668
31 December 2013	192,845	78,558	271,403

The Company's decommissioning provision results from its obligation at the end of the licence period to return the wind farm site to its original state and condition. The Company has estimated the net present value of the decommissioning provision to be £78,558 as at 31 December 2013 (restated balance at 31 March 2013* – £75,890) based on an undiscounted total future liability of £180,000. The discount factor, being the risk free rate related to the liability, was 3.52% as at 31 December 2013.

* Comparative information has been restated. See note 1 for details.

The movement in the provision for deferred taxation consists of the tax effect of timing differences in respect of:

	31 December 2013	31 March 2013 Restated*
	£	£
Excess of taxation allowances over depreciation on fixed assets	584,565	86,473
Tax losses available	(422,060)	(34,937)
Change in tax rate	(21,196)	-
	141,309	51,536

12 CAPITAL COMMITMENTS, CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

The company has entered into lease agreements with land owners expiring on 23 November 2037 such that the rent payable is contingent on certain conditions relating to gross income received by the Company.

At the balance sheet date, the Company had annual commitments in respect of land for minimum lease payments under non-cancellable operating leases, which expire in:

	31 December 2013	31 March 2013
	£	£
More than 5 years	**24,000**	24,000

13 CALLED UP SHARE CAPITAL

	31 December 2013	31 March 2013
	£	£
Allotted, called up and fully paid:		
100 Ordinary shares of £0.50 each	**50**	1

On 2 August 2013, 98 new ordinary £0.50 shares were issued for cash.

14 MOVEMENT IN RESERVES

	Profit and loss account
	£
Restated balance at 1 April 2013*	**158,739**
Profit for the period	**342,424**
At 31 December 2013	**501,163**

* Comparative information reflects restated balances in the profit and loss for the period ending 31 March 2013. See note 1 for details.

Notes to the financial statements for the period ended 31 December 2013 (continued)

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	31 December 2013	31 March 2013 Restated*
	£	£
Profit for the period	**342,424**	279,228
New shares issued	**49**	-
Net addition to shareholder's funds	**342,473**	279,228
Opening shareholder's funds/(deficit)*	**158,740**	(120,488)
Closing shareholder's funds	**501,213**	158,740

* Comparative information reflects restated balances in the profit and loss for the period ending 31 March 2013. See note 1 for details.

16 TRANSACTIONS WITH RELATED PARTIES

As a wholly owned subsidiary of Henderson Infrastructure Holdco (Jersey) Limited, the Company has taken advantage of the exemption under Financial Reporting Standard 8 not to provide information on related party transactions with other undertakings within the Henderson Infrastructure Holdco (Jersey) Limited group. Note 17 gives details of how to obtain a copy of the published financial statements of Henderson Infrastructure Holdco (Jersey) Limited.

During the period, interest at 12% per annum was charged on the loan from AL (Routh) Limited, one of the Company's previous shareholders, amounting to £212,792.

During the period, interest at 12% per annum was charged on a loan from Hall Farm Holdings Limited, a previous shareholder, amounting to £246,569.

JL Hall Farm Holdings Limited acquired all outstanding loans as part of the acquisition of Hall Farm Wind Farm Ltd on 1 November 2013.

17 ULTIMATE PARENT UNDERTAKING

The Company's immediate parent company is JL Hall Farm Holdings Limited, a company incorporated in Great Britain.

The smallest and largest group in which its results are consolidated, and the Company's ultimate parent and controlling entity, is Henderson Infrastructure Holdco (Jersey) Limited, a company incorporated in Jersey, Channel Islands. Copies of the consolidated accounts of Henderson Infrastructure Holdco (Jersey) Limited are available from its registered office at Ogier House, The Esplanade, St Helier JE4 9WG, Jersey, Channel Islands.