

Registered number: 07661372

Beinneun Wind Farm Ltd
Unaudited
Annual report and financial statements
for the year ended 30 June 2021



Beinneun Wind Farm Ltd

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Beinneun Wind Farm Ltd

Company Information

Directors	P E Dias C P Gaydon P S Latham T J Rosser
Company secretary	Octopus Company Secretarial Services Limited
Registered number	07661372
Registered office	6th Floor 33 Holborn London EC1N 2HT

Beinneun Wind Farm Ltd

Strategic report for the year ended 30 June 2021

The directors present their Strategic report on Beinneun Wind Farm Ltd (the "company") for the year ended 30 June 2021.

Principal activities and business review

Beinneun Wind Farm Ltd is 100% owned by Boomerang Energy Limited; its ultimate parent company is Fern Trading Limited (formerly Fern Trading Group Limited). The principal activity of the company is the operation of a wind farm for the generation and sale of electricity.

The results of the company for the year ended 30 June 2021 and financial position as at that date were satisfactory and continue to be underpinned by strong operational performance, despite the impact of COVID-19.

Principal risks and uncertainties

Energy market risk

There is a risk that the wind farm fails to achieve the level of income forecast because of changes in energy prices or levels of inflation. Because the sites earn income under government-backed off-take agreements, there is also an element of political risk impacting income. These risks are in part mitigated by thorough legal and technical due diligence prior to the start of construction and by ensuring visibility over the ultimate buyer of the electricity.

Performance Risk

Unpredictable weather conditions and operational availability could impact revenue generated from energy sites. This can be mitigated in part through strategic timing of scheduled maintenance to coincide with periods of low generation.

Liquidity and cash flow risk

Liquidity and cash flow risk are managed by ensuring that sufficient cash is available to fund continuing and future operations. This is achieved through diligent working capital management, and the pooling of cash within the company of wind farms owned by the immediate parent, Boomerang Energy Limited.

COVID-19

During the year, the COVID-19 pandemic occurred and was continuing at the year end and to the date of signing the financial statements. In preparing these financial statements, the directors have considered the impacts of COVID-19 on the company for both the results for the year to 30 June 2021 and for future performance.

We own and operate a number of sites exporting electricity to the grid, as well as constructing sites for future generation. Throughout lockdown, we have been able to continue both operating sites and construction work on the sites under development, resulting in minimal impact from COVID-19 on our ability to generate electricity and meet our construction timetable. The directors continue to monitor the ongoing situation and its impact on the company.

Beinneun Wind Farm Ltd

Strategic report (continued) for the year ended 30 June 2021

Statement by the directors in performance of their statutory duties in accordance with s172(1)(a) to (f) Companies Act 2006

The directors have considered the interest of other stakeholders within the Directors' report, which will have an impact on the long-term success of the company, when performing their duty to promote the success of the company under s172. The directors view the key stakeholders of the company to be shareholders and suppliers.

When making decisions, each director ensures that they act in the way they consider to be in good faith and would most likely promote the company's success for the benefit of its members as a whole. The directors make the following considerations when considering promoting the success of the company:

- When making decisions, the directors give careful consideration to the impact of those decisions on both the company and broader stakeholders. This is achieved by considering any new deals or suppliers on a case-by-case basis and assessing the impact on the long-term objectives of the company, as well as the impact on and reputation of the other party. In doing so, the directors also consider the impact on other stakeholders, in particular the shareholders.
- The company acts in a fair manner with all suppliers and customers and seeks to maintain strong business relationships with them. This is achieved by all contracts being negotiated through fair and transparent tender processes which includes an assessment of the impact on the long-term objectives of the company.
- The company ensures that outsourced activities are with reputable suppliers who meet all the relevant industry and regulatory commitments as well as treating employees fairly. This is stated in agreements with outsourcers and adherence to this is monitored by the company management team.
- The company treats all suppliers and customers fairly, endeavouring to pay invoices within the terms of the contract. Any disputes are resolved promptly with key relationship personnel.
- Through the activities in which the company operates, a positive contribution is made to the environment and economy through generation of renewable energy, helping the UK meet its renewable energy targets.

Business ethics and governance considerations have been discussed within the directors' report. The directors understand the business and the evolving environment in which we operate and have considered the businesses specific risks and uncertainties within this strategic report.

Financial key performance indicators

The company focuses on capital preservation. Performance is measured against a detailed financial forecast model and a returns target set at inception. Results thus far have been in line with expectations.

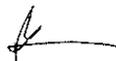
Objectives and strategies

The directors do not expect any change in the company's activities during the next financial year.

This report was approved by the board on

26 March

2022 and signed on its behalf.


P S Latham
Director

Beinneun Wind Farm Ltd

Directors' report for the year ended 30 June 2021

The directors present their report and the unaudited financial statements of the company for the year ended 30 June 2021.

Principal activities

The principal activity of the company is the construction and operation of a wind farm for the generation and sale of electricity.

Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise indicated, are given below:

P E Dias
C P Gaydon
P S Latham
T J Rosser

Results and dividends

The loss for the year, after taxation, amounted to £3,944,379 (2020: loss of £5,251,839).

The directors do not recommend the payment of a dividend (2020: £nil).

Going concern

The financial statements have been prepared on the going concern basis. The directors have assessed the effects of COVID-19 on the company's ability to meet its liabilities as they fall due, and determined that based on recent trading of the company and revised projections, the pandemic is not expected to have a significant impact on the company's business. Further, the ultimate controlling party, Fern Trading Limited, will continue to support the operations of the company for a period of at least 12 months from the date on which the financial statements are approved. The directors will continue to monitor the situation and take any necessary actions to minimise the possible impacts of COVID-19.

Qualifying directors indemnity provision

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying *third-party indemnity provision as defined by Section 234 of the Companies Act 2006*. The indemnity was in force throughout the last financial year and is currently in force.

Brexit

The UK left the EU on 31 January 2020 and the transition period ended on 31 December 2020, in which time the UK and EU negotiated additional arrangements and concluded the "Trade and Cooperation Agreement". The directors have considered the impact on the company regarding the agreed exit terms within the agreement and wider regulatory and legal implications within these statutory financial statements and will continue to do so.

Prior period restatement

The company corrected a prior period error relating to the useful life of the wind turbines within 2020, resulting in an increase in the tangible fixed assets of £1,690,046, with a corresponding increase in the decommissioning provision (note 15). The restatement has no impact on the retained earnings for the year ended 30 June 2020.

Beinneun Wind Farm Ltd

Directors' report (continued) for the year ended 30 June 2021

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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

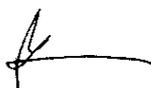
The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Audit exemption

The directors consider that the company is entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006. Under the provisions of section 479C of the Companies Act 2006, Fern Trading Limited, the ultimate parent company, has given a statutory guarantee of all the outstanding liabilities to which the company is subject at 30 June 2021.

This report was approved by the board on 26 March 2022 and signed on its behalf.



P S Latham
Director

Beinneun Wind Farm Ltd

Statement of comprehensive income for the year ended 30 June 2021

	Note	2021 £	2020 £
Turnover	4	21,333,948	18,235,194
Cost of sales		(14,027,973)	(13,721,842)
Gross profit		7,305,975	4,513,352
Administrative expenses		(4,152,587)	(3,461,225)
Operating profit		3,153,388	1,052,127
Interest receivable and similar income	7	2	1,150
Interest payable and similar charges	8	(3,553,465)	(3,768,306)
Loss on ordinary activities before taxation		(400,075)	(2,715,029)
Tax on loss on ordinary activities	9	(3,544,304)	(2,536,810)
Loss for the financial year		(3,944,379)	(5,251,839)

All amounts above relate to continuing operations.

The company has no items of other comprehensive income for the current financial period. Therefore no separate statement of other comprehensive income has been presented.

The notes on pages 10 to 22 form part of these financial statements.

Beinneun Wind Farm Ltd

Registered number: 07661372

Balance sheet as at 30 June 2021

	Note	2021 £	2021 £	As restated 2020 £	As restated 2020 £
Fixed assets					
Tangible fixed assets	10		126,938,835		132,190,083
			<hr/>		<hr/>
Current assets					
Debtors	11	9,696,832		9,760,998	
Cash at bank and in hand		-		3,700,000	
		<hr/>		<hr/>	
		9,696,832		13,460,998	
Creditors: amounts falling due within one year	12	(123,670,386)		(132,401,605)	
		<hr/>		<hr/>	
Net current liabilities			(113,973,554)		(118,940,607)
			<hr/>		<hr/>
Total assets less current liabilities			12,965,281		13,249,476
Provision for liabilities					
Deferred tax	13		(9,283,191)		(5,738,887)
Other provisions	15		(3,837,565)		(3,721,685)
			<hr/>		<hr/>
Net (liabilities)/assets			(155,475)		3,788,904
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	14		34,513,906		34,513,906
Retained deficit			(34,669,381)		(30,725,002)
			<hr/>		<hr/>
Total shareholders' funds			(155,475)		3,788,904
			<hr/>		<hr/>

Beinneun Wind Farm Ltd

Registered number: 07661372

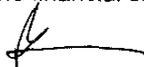
**Balance sheet (continued)
as at 30 June 2021**

For the year ended 30 June 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
26 March 2022.


P S Latham
Director

The notes on pages 10 to 22 form part of these financial statements.

Beinneun Wind Farm Ltd

Registered number: 07661372

Statement of changes in equity for the year ended 30 June 2021

	Called up share capital £	Retained deficit £	Total shareholders' funds £
At 1 July 2019	34,513,906	(25,473,163)	9,040,743
Loss for the financial year	-	(5,251,839)	(5,251,839)
At 1 July 2020	<u>34,513,906</u>	<u>(30,725,002)</u>	<u>3,788,904</u>
Loss for the financial year	-	(3,944,379)	(3,944,379)
At 30 June 2021	<u><u>34,513,906</u></u>	<u><u>(34,669,381)</u></u>	<u><u>(155,475)</u></u>

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

1. General information

Beinneun Wind Farm Ltd is a private company, limited by shares, incorporated in and domiciled in England, the United Kingdom, registered number: 07661372. The registered office is 6th Floor, 33 Holborn, London, EC1N 2HT.

The principal activity of the company is the operation of a wind farm for the generation and sale of electricity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared on the going concern basis, under the historical cost convention except for financial instruments which are held at fair value and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the company accounting policies (see note 3).

The company's functional and presentational currency is the pound sterling.

The following principal accounting policies have been applied:

2.2 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d);
- from disclosing the company's key management personnel compensation as required by FRS 102 para 33.7; and
- from disclosing related party transactions that are wholly owned within the same group.

2.3 Going concern

The financial statements have been prepared on the going concern basis. The directors have assessed the effects of COVID-19 on the company's ability to meet its liabilities as they fall due, and determined that based on recent trading of the company and revised projections, the pandemic is not expected to have a significant impact on the company's business. Further, the ultimate controlling party, Fern Trading Limited, will continue to support the operations of the company for a period of at least 12 months from the date on which the financial statements are approved. The directors will continue to monitor the situation and take any necessary actions to minimise the possible impacts of COVID-19.

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is derived from the electricity generated by wind farms and is recognised on an accruals basis in the period in which it is generated.

2.5 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt *using the effective interest method so that the amount charged is at a constant rate on the carrying amount*. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the statement of comprehensive income. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Wind turbines	- 25 years straight line
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Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

2. Accounting policies (continued)

2.8 Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows *before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use*. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the statement of comprehensive income.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the statement of comprehensive income.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are *measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment*.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the period in which *they are incurred*.

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

2. Accounting policies (continued)

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provision for decommissioning is recognised in full at the commencement of production. The amount recognised is the discounted value of the estimated future expenditure determined in accordance with local conditions and requirements. Any movement in the provision is recognised in the profit and loss in the year. Any change in the present value of the estimated expenditure is reflected in an adjustment to the provision.

2.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

2.15 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.16 Operating leases

Rentals under operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term.

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

2. Accounting policies (continued)

2.17 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

2. Accounting policies (continued)

2.18 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences 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.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

2.19 Hedge accounting

The company uses variable to fixed interest rate swaps to manage its exposure to fair value risk on its financial instruments. These derivatives are measured at fair value at each reporting date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the period.

Gains and losses on the hedging instruments and the hedged items are recognised in profit or loss for the period. When a hedged item is an unrecognised firm commitment, the cumulative hedging gain or loss on the hedged item is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

2.20 Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the company's accounting policies

There are no critical judgements in applying the entity's accounting policies.

(b) Critical accounting estimates and assumptions

The fair value of derivative financial instruments is considered to be a critical accounting estimate. This valuation is made in conjunction with the mark - to - market confirmations supplied by the derivative counterparties.

Decommissioning provision

The provision for decommissioning costs is measured at management's best estimate of the present value of the expenditure required to settle the future obligation. This estimate is determined in accordance with local conditions and requirements, using a discount rate of 2% reflecting the time in value of money and the risks specific to the obligation, based on management's judgement (see note 15).

4. Turnover

The whole of the turnover is attributable to the company's main activity which is carried out in the United Kingdom.

No analysis of turnover is presented as the directors consider such disclosure to be seriously prejudicial to the interests of the company.

5. Employees and directors' remuneration

The company had no employees during the year (2020: none). The directors did not receive or waive any remuneration (2020: £nil).

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

6. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Audit fee	-	10,250
Depreciation of tangible fixed assets	5,926,733	5,819,634
Operating lease charge	1,342,513	1,165,528
	<u> </u>	<u> </u>

7. Interest receivable and similar income

	2021 £	2020 £
Other interest receivable	2	1,150
	<u> </u>	<u> </u>

8. Interest payable and similar charges

	2021 £	2020 £
Other interest payable	388	506
On amounts owed to group undertakings	3,553,077	3,767,800
	<u> </u>	<u> </u>
	<u>3,553,465</u>	<u>3,768,306</u>

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

9. Taxation

	2021 £	2020 £
Current tax		
UK corporation tax charge on loss for the year	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	1,206,733	1,722,187
Adjustments in respect of previous periods	109,605	391,812
Effect of changes in tax rates	2,227,966	422,811
Total deferred tax	<u>3,544,304</u>	<u>2,536,810</u>
Taxation on loss on ordinary activities	<u>3,544,304</u>	<u>2,536,810</u>
Factors affecting tax charge for the year		

The tax assessed for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £	2020 £
Loss on ordinary activities before taxation	<u>(3,944,379)</u>	<u>(2,715,029)</u>
Loss before taxation multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	(749,432)	(515,856)
Effects of:		
Expenses not deductible for tax purposes	209,650	209,651
Adjustments to tax charge in respect of prior periods	109,605	391,812
Effects of changes to tax rates	2,227,966	422,811
Group relief [To be analysed]	1,746,515	2,028,392
	<u>3,544,304</u>	<u>2,536,810</u>

Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

10. Tangible fixed assets

	Plant and machinery £
Cost	
At 1 July 2020 (as previously stated)	147,538,545
Prior Year Adjustment	1,690,046
At 1 July 2020 (as restated)	<u>149,228,591</u>
Additions	675,485
At 30 June 2021	<u>149,904,076</u>
Accumulated depreciation	
At 1 July 2020	17,038,508
Charge for the year	5,926,733
At 30 June 2021	<u>22,965,241</u>
Net book value	
At 30 June 2021	<u>126,938,835</u>
At 30 June 2020 (as restated)	<u>132,190,083</u>

The company corrected a prior period error relating to the useful life of the wind turbines within 2020, resulting in an increase in the tangible fixed assets of £1,690,046, with a corresponding increase in the decommissioning provision (note 15). The restatement has no impact on the retained earnings for the year ended 30 June 2020.

11. Debtors

	2021 £	2020 £
Trade debtors	-	1,336,342
Amounts owed by group undertakings	-	2,184
Other debtors	3,549,293	2,275,371
Prepayments and accrued income	6,147,539	6,147,101
	<u>9,696,832</u>	<u>9,760,998</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

12. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,250,597	2,273,080
Amounts owed to group undertakings	116,269,578	123,829,858
Other creditors	3,025,955	3,927,757
Accruals and deferred income	3,124,256	2,370,910
	<u>123,670,386</u>	<u>132,401,605</u>

Included within amounts owed to group undertakings are unsecured loans with year end balances totaling £116,269,578 (2020: £123,829,858). The loans bear interest at 3% (2020: 3%) and are repayable on demand.

13. Deferred taxation

	2021 £	2020 £
At the beginning of the year	(5,738,887)	(3,202,077)
Charged to profit or loss account	(3,544,304)	(2,536,810)
At the end of the year	<u>(9,283,191)</u>	<u>(5,738,887)</u>

The deferred tax liability is made up as follows:

	2021 £	2020 £
Losses	2,301,862	1,749,415
Fixed asset timing differences	(11,585,053)	(7,488,302)
	<u>(9,283,191)</u>	<u>(5,738,887)</u>

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

14. Called up share capital

	2021 £	2020 £
Allotted, called up and fully paid		
34,513,906 (2020: 34,513,906) Ordinary shares of £1	34,513,906	34,513,906

15. Provisions

	As restated Decommissioning provision £
At 1 July 2020 (as previously stated)	2,031,639
Prior Year Adjustment	1,690,046
At 1 July 2020 (as restated)	3,721,685
Charge to profit or loss	115,879
At 30 June 2021	3,837,564

A provision has been recognised for decommissioning costs associated with the wind farm owned by the company. The company is committed to decommissioning the wind farm as a result of the construction of the wind farm for the production of power.

The decommissioning provision provides the future costs of decommissioning of the wind farm based on the estimate of the underlying costs to decommission the site.

The provision has been discounted at an annual rate of 2% and this discount will be unwound and charged to the statement of comprehensive income until 2042, as the estimated date of decommissioning.

The company corrected a prior period error relating to the useful life of the wind turbines within 2020, resulting in an increase in the decommissioning provision of £1,690,046, with a corresponding increase in the tangible fixed assets (note 10). The restatement has no impact on the retained earnings for the year ended 30 June 2020.

Beinneun Wind Farm Ltd

Notes to the financial statements for the year ended 30 June 2021

16. Operating lease commitments

At 30 June 2021 the company had minimum lease payments under non-cancelable operating leases as follows:

	2021 £	2020 £
Payment due		
Not later than one year	553,683	539,122
Later than one year and not later than five years	2,214,733	2,156,488
Later than five years	8,858,932	9,165,074
	<u>11,627,348</u>	<u>11,860,684</u>

17. Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A from the provisions of FRS 102, on the grounds that at 30 June 2021 it was a wholly owned subsidiary.

18. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Boomerang Energy Limited, a company incorporated in the United Kingdom.

The ultimate parent undertaking as at the year ended 30 June 2021 was Fern Trading Limited, a company incorporated in the United Kingdom. Fern Trading Limited is the largest group of undertakings to consolidate these financial statements. Copies of Fern Trading Limited's consolidated financial statements can be obtained from the Company Secretary, 6th Floor, 33 Holborn, London, EC1N 2HT.