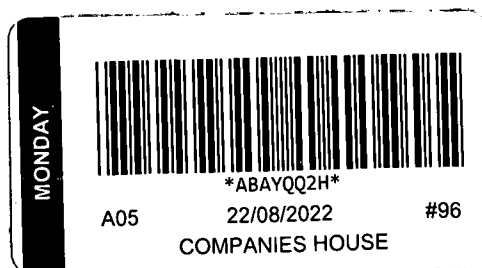


Registered number: 07775855

**DAINTREE WIND FARM LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**



<b>DAINTREE WIND FARM LIMITED</b>
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**COMPANY INFORMATION**

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**Directors** Shamsul Azham Bin Mohd Isa (appointed 1 April 2022)  
Nur Atikah Paimin (appointed 1 April 2022)

**Registered number** 07775855

**Registered office** Ibis House, Ground Floor  
Ibis Court, Centre Park  
Warrington  
Cheshire  
WA1 1RL

**Independent auditors** PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
No. 1 Spinningfields  
Hardman Square  
Manchester  
M3 3EB

**Bankers** Lloyds Bank  
25 Gresham Street  
London  
EC2V 7HN

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**DAINTREE WIND FARM LIMITED**

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**DAINTREE WIND FARM LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the audited financial statements of Daintree Wind Farm Limited (the 'Company') for the year ended 31 December 2021.

**Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

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" Section 1A, 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 the 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.

**Directors**

The directors who served during the year and up to the date of approving the financial statements were:

Simon Richard Eaves (resigned 1 April 2022)  
Kirsty Louise Usher (resigned 1 April 2022)  
Paul Kevin Hughes (resigned 1 April 2022)  
Helen Ruth Down (resigned 1 April 2022)  
Shamsul Azham Bin Mohd Isa (appointed 1 April 2022)  
Nur Atikah Paimin (appointed 1 April 2022)

**Directors' indemnities**

During the year, the Company paid a premium to insure the directors and officers of the Company. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the directors and officers in their capacity as officers of entities, and any other payments arising from liabilities incurred by officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Company. This was in place for the full financial year and up to the date of approval of the financial statements.

**DAINTREE WIND FARM LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**Future outlook**

The key risks to the financial performance of the Company are summarised below:

- **Price - Market power price movements** do not materially impact the Company as a large proportion of the revenue price mix is fixed through the Feed-in Tariff (FiT) scheme. While market power prices have risen significantly in the last quarter of 2021 and into 2022, independent forecasters expect UK wholesale power prices to ease back to normalised levels around 2023.
- **Volume/Generation** - The volume all comes from wind turbines. 100% of the electricity generated is sold directly to the offtaker as part of the Power Purchase Agreement 'PPA' between the generator and the offtaker. The Company has a PPA with a tier 1 offtaker which has continued to pay to terms.
- **Operating Costs** - The Company's cost base is relatively low and fixed with a high EBITDA/Sales margin. The main costs include lease, rates & maintenance. To date, we have seen no issues with maintenance parts availability through the OEM.
- **Capex** - No capital expenditure is forecast for the next 12 months in-line with the 2022 budget.
- **Working Capital** - All revenues are through a tier 1 PPA provider, to date we have received all monies in accordance with terms. Management expects no changes to working capital profile.

COVID-19 was declared a global pandemic by the World Health Organisation ("WHO") on March 11, 2020. The pandemic continues but following a successful roll-out of vaccination programs in 2021, the UK has now lifted COVID-19 related restrictions. Despite the short-term volatility, the influence of COVID-19 on long term energy demand and pricing is expected to be minimal. Management will continue to closely monitor the potential effects of COVID-19 on the business.

Management has considered the potential impact of a severe but plausible scenario on the business (and its ability to continue as a going concern) under various scenarios. As a result of this detailed assessment and notwithstanding the Company made a loss in the year of £0.137 million and has net liabilities of £0.880 million, the Directors have concluded that the Company is able to meet its obligations when they fall due for a period of at least 12 months from the date of approval of the financial statements. The Directors have also received a letter of support from Clean Energy and Infrastructure UK Limited confirming ongoing financial support for at least 12 months from the date of approval of these financial statements. Clean Energy and Infrastructure UK Limited are the largest parent undertaking to consolidate these financial statements, and as a group holds investments in 10 wind farms. For these reasons, they continue to adopt the going concern basis for preparing the financial statements.

**Directors' confirmations**

In the case of each director in office at the date the Directors' Report is approved;

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**DAINTREE WIND FARM LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**Post balance sheet events**

On 1 April 2022, Clean Energy and Infrastructure UK Limited and all of its subsidiaries were acquired by Vantage RE Ltd.

At this time, the Directors do not believe that any of the Company's assets will be directly affected by the tragic conflict between Russia and the Ukraine. To our knowledge, none of the Company's equipment, service providers or customers have any material operations in the region and we do not expect any disruption to the supply chain related to the Company's assets. The conflict has impacted global energy markets in that we are seeing rising energy (oil & gas) and electricity prices, particularly in Europe. Over the medium term, we expect that these events will further accelerate the UK and Europe's transition away from oil and gas towards clean energy. Depending on the outcome and duration of the conflict, there may be longer-term indirect impacts on the industry that are more difficult to forecast. We will continue to actively and comprehensively monitor the situation as it continues to develop.


**Independent auditors**

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27 June 2022 and signed on its behalf.

DocuSigned by:  
  
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**Shamsul Azham Bin Mohd Isa**  
Director

**DAINTREE WIND FARM LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAINTREE WIND FARM LIMITED**

**Report on the audit of the financial statements**

**Opinion**

In our opinion, Daintree Wind Farm Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss and cash flows for the year then ended;
- have been properly prepared 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" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2021; the Statement of Income and Retained Earnings, and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

<b>DAINTREE WIND FARM LIMITED</b>
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAINTREE WIND FARM LIMITED  
(CONTINUED)**

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With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

*Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

**Responsibilities for the financial statements and the audit**

*Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

*Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations and OFGEM regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Identifying and testing journal entries where applicable, in particular any journal entries posted with unusual account combinations;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Challenging assumptions and judgments made by management in their significant accounting estimates.

**DAINTREE WIND FARM LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAINTREE WIND FARM LIMITED  
(CONTINUED)**

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

*Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Daniel Wilbourn (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester  
27 June 2022

<b>DAINTREE WIND FARM LIMITED</b>
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**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	885,165	1,152,708
Cost of sales		(513,747)	(598,715)
<b>Gross profit</b>		<b>371,418</b>	<b>553,993</b>
Administrative expenses		(35,446)	(34,466)
<b>Operating profit</b>	5	<b>335,972</b>	<b>519,527</b>
Interest payable and similar expenses	7	(489,075)	(496,625)
<b>(Loss)/profit before tax</b>		<b>(153,103)</b>	<b>22,902</b>
Tax on (loss)/profit	8	15,736	(4,751)
<b>(Loss)/profit after tax</b>		<b>(137,367)</b>	<b>18,151</b>
Accumulated losses at the beginning of the year		(976,172)	(994,323)
(Loss)/profit for the year		(137,367)	18,151
<b>Accumulated losses at the end of the year</b>		<b>(1,113,539)</b>	<b>(976,172)</b>

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of income and retained earnings.

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

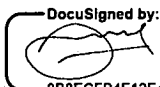
**DAINTREE WIND FARM LIMITED**  
**REGISTERED NUMBER: 07775855**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	9	3,477,156	3,740,621
		<u>3,477,156</u>	<u>3,740,621</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	379,781	604,602
Cash at bank and in hand	11	293,971	114,808
		<u>673,752</u>	<u>719,410</u>
Creditors: amounts falling due within one year	12	(102,037)	(110,126)
<b>Net current assets</b>		<u>571,715</u>	<u>609,284</u>
<b>Total assets less current liabilities</b>		<u>4,048,871</u>	<u>4,349,905</u>
Creditors: amounts falling due after more than one year	13	(4,791,602)	(4,988,019)
<b>Provisions for liabilities</b>			
Deferred taxation	14	(30,662)	-
Other provisions	15	(106,479)	(104,391)
		<u>(137,141)</u>	<u>(104,391)</u>
<b>Net liabilities</b>		<u>(879,872)</u>	<u>(742,505)</u>
<b>Capital and reserves</b>			
Called up share capital	16	3	3
Share premium account		233,664	233,664
Accumulated losses		(1,113,539)	(976,172)
<b>Total equity</b>		<u>(879,872)</u>	<u>(742,505)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 June 2022.

DocuSigned by:  


**Shamsul Azham Bin Mohd Isa**  
 Director

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

<b>DÁINTREE WIND FARM LIMITED</b>
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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
(Loss)/profit for the financial year		(137,367)	18,151
<b>Adjustments for:</b>			
Depreciation of tangible assets	9	263,465	270,454
Interest charge	7	486,917	500,309
Taxation charge	8	33,994	36,041
Decrease/(increase) in debtors	10	271,219	(121,959)
(Increase) in amounts owed by groups	10	(49,730)	(31,290)
(Decrease)/increase in creditors	12	(7,319)	39,408
(Decrease)/increase in amounts owed to groups	12	(770)	770
Increase/(decrease) in provisions	15	2,088	(3,746)
<b>Net cash generated from operating activities</b>		<b>862,497</b>	<b>708,138</b>
<b>Cash flows from financing activities</b>			
Loans from group companies repaid		(180,665)	(153,938)
Interest paid		(502,669)	(461,062)
<b>Net cash used in financing activities</b>		<b>(683,334)</b>	<b>(615,000)</b>
<b>Net increase in cash and cash equivalents</b>		<b>179,163</b>	<b>93,138</b>
Cash and cash equivalents at beginning of year	11	114,808	21,670
<b>Cash and cash equivalents at the end of year</b>		<b>293,971</b>	<b>114,808</b>
<b>Cash and cash equivalents at the end of year comprise:</b>			
Cash at bank and in hand	11	293,971	114,808
		<b>293,971</b>	<b>114,808</b>

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

**DAINTREE WIND FARM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. General information**

Daintree Wind Farm Limited (the 'Company') is a private company limited by shares and is incorporated in the United Kingdom. The address of its registered office is Ibis House, Ground Floor, Ibis Court, Centre Park, Warrington, Cheshire, WA1 1RL.

The principal activity of the Company during the year was the management of a wind farm.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of 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 Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

Future amendments to Section 1A of FRS 102:

There is no effect on the current period, prior period or future period.

The following principal accounting policies have been applied:

**2.2 Financial Reporting Standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Clean Energy and Infrastructure UK Wind Limited as at 31 December 2021 and these financial statements may be obtained from Companies House.

<b>DAINTREE WIND FARM LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.3 Going concern**

The key risks to the financial performance of the Company are summarised below:

- **Price - Market power price movements** do not materially impact the Company as a large proportion of the revenue price mix is fixed through the Feed-in Tariff (FiT) scheme. While market power prices have risen significantly in the last quarter of 2021 and into 2022, independent forecasters expect UK wholesale power prices to ease back to normalised levels around 2023.
- **Volume/Generation** - The volume all comes from wind turbines. 100% of the electricity generated is sold directly to the offtaker as part of the Power Purchase Agreement 'PPA' between the generator and the offtaker. The Company has a PPA with a tier 1 offtaker which has continued to pay to terms.
- **Operating Costs** - The Company's cost base is relatively low and fixed with a high EBITDA/Sales margin. The main costs include lease, rates & maintenance. To date, we have seen no issues with maintenance parts availability through the OEM.
- **Capex** - No capital expenditure is forecast for the next 12 months in-line with the 2022 budget.
- **Working Capital** - All revenues are through a tier 1 PPA provider, to date we have received all monies in accordance with terms. Management expects no changes to working capital profile.

COVID-19 was declared a global pandemic by the World Health Organisation ("WHO") on March 11, 2020. The pandemic continues but following a successful roll-out of vaccination programs in 2021, the UK has now lifted COVID-19 related restrictions. Despite the short-term volatility, the influence of COVID-19 on long term energy demand and pricing is expected to be minimal. Management will continue to closely monitor the potential effects of COVID-19 on the business.

Management has considered the potential impact of a severe but plausible scenario on the business (and its ability to continue as a going concern) under various scenarios. As a result of this detailed assessment and notwithstanding the fact that the Company has net liabilities of £0.880 million (2020 - £0.743 million), and losses for the year of £0.137 million (2020 - profits of £0.018 million), the Directors have concluded that the Company is able to meet its obligations when they fall due for a period of at least 12 months from the date of approval of the financial statements. The Directors have also received a letter of support from Clean Energy and Infrastructure UK Limited confirming ongoing financial support for at least 12 months from the date of approval of these financial statements. Clean Energy and Infrastructure UK Limited are the largest parent undertaking to consolidate these financial statements, and as a group holds investments in 10 wind farms. For these reasons, they continue to adopt the going concern basis for preparing the financial statements.

**2.4 Turnover**

Turnover represents the value of sales of electricity generated and associated benefits, exclusive of Value Added Tax and trade discounts. This includes the sale of electricity and associated renewable energy benefits: (i) electricity delivered to customers is based on actual meter readings and (ii) renewable energy benefits sold to customers are based on actual benefits awarded to the Company by the Office of Gas and Electricity Markets (OFGEM) during the reporting period, under a Feed in tariff scheme (FIT).

<b>DAINTREE WIND FARM LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.5 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date, the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market views of the time value of money and the risks specific to the assets. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Land and buildings	- life of operating lease
Plant and machinery	- 20 years
Plant and machinery	- Decommissioning costs - the shorter of the length of the lease or the expected life of the wind farm

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.6 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.

**2.7 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.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

<b>DAINTREE WIND FARM LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.8 Borrowings**

All loans and borrowings are initially recognised at fair value being the consideration received net of issue costs associated with the borrowing. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement. Gains and losses are recognised in the Statement of Income and Retained Earnings when liabilities are derecognised as well as through the amortisation process.

**2.9 Financial instruments**

The Company does not utilise derivative financial instruments. Non-derivative financial instruments comprise investments, trade and other receivables, cash and cash equivalents, loans and borrowings, trade and other payables, and provisions. Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, they are measured as described below:

Trade and other receivables are carried at original invoice amount less any allowance for uncollectable amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off when identified.

Interest-bearing loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing loans and borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Income and Retained Earnings over the period of the borrowings on an effective interest basis.

Trade and other payables are carried at cost.

Accounting policies for borrowings and provisions are given separately in these accounting policies.

**2.10 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.

**2.11 Foreign currencies**

Foreign currency transactions are initially translated at the rate of exchange at the date of the transaction. At balance sheet date, amounts payable and receivable in foreign currencies are translated at rates of exchange current at that date. Resulting exchange differences are recognised in the Statement of Income and Retained Earnings.

**2.12 Finance costs**

Finance costs of financial liabilities are recognised in the Statement of Income and Retained Earnings over the term of such instruments at a constant rate on the carrying amount.

Interest expense represents interest payable on borrowings and is recognised as it accrues, using the effective interest method.

**DAINTREE WIND FARM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. Accounting policies (continued)**

**2.13 Operating lease agreements**

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

**2.14 Provisions for liabilities**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that economic resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Decommissioning provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the balance sheet date, with a corresponding balance held in fixed assets. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

**2.15 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.16 Share capital**

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

Share premium account represents the excess of the issue price over the par value of shares issued, less transaction costs arising on issue.

<b>DAINTREE WIND FARM LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, turnover and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The most critical of these accounting judgments and estimates are explained below.

**Impairment:**

The Company assesses annually whether tangible fixed assets have suffered any impairment triggers, in the current year none of which have been identified. If impairment triggers had been identified, the recoverable amounts of the cash generating unit would have been determined based on the higher of fair value less costs to sell and value in use models.

**Decommissioning provisions:**

Decommissioning provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date, with a corresponding balance held in fixed assets. This estimate is based on current market assessments of the time value of money and the risks specific to the liability.

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Sale of electricity	885,165	1,152,708
	<u>885,165</u>	<u>1,152,708</u>

All turnover arose within the United Kingdom.

<b>DAINTREE WIND FARM LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**5. Operating profit**

The operating profit is stated after charging:

	2021 £	2020 £
Exchange differences	7	9
Other operating lease rentals	39,023	38,518
Depreciation of tangible fixed assets	263,465	270,454
Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements	9,225	8,600
	<u>9,225</u>	<u>8,600</u>

Fees payable to the Company's auditors and their associates for non-audit services are £NIL (2020 - £NIL).

**6. Employees**

All asset management services were carried out on behalf of the Company through a long term service agreement with Netro Energy Limited (formerly known as CD Arevon UK Limited), with asset management service costs for the year of £0.047 million (2020 - £0.027 million).

The Company has no employees other than the directors, who did not receive any remuneration (2020 - £NIL).

The average monthly number of employees, including directors, during the year was 0 (2020 - 0).

**7. Interest payable and similar expenses**

	2021 £	2020 £
Loans from group undertakings	486,917	500,309
Other interest payable	2,158	(3,684)
	<u>489,075</u>	<u>496,625</u>

Other interest payable in the prior year includes a reduction in the decommissioning provision unwind and a corresponding credit of £0.006 million to the Statement of Income and Retained Earnings.

## DAINTREE WIND FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

## 8. Tax on (loss)/profit

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on (loss)/profit for the year	(49,730)	(31,290)
<b>Total current tax</b>	<u>(49,730)</u>	<u>(31,290)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	26,635	40,673
Changes to tax rates	7,359	(4,632)
<b>Total deferred tax</b>	<u>33,994</u>	<u>36,041</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(15,736)</u>	<u>4,751</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 19.00% (2020 - 19.00%). The differences are explained below:

	2021 £	2020 £
(Loss)/profit on ordinary activities before tax	<u>(153,103)</u>	<u>22,902</u>
(Loss)/profit before tax multiplied by standard rate of corporation tax in the UK of 19.00% (2020 - 19.00%)	(29,090)	4,351
<b>Effects of:</b>		
Expenses not deductible for tax purposes	5,995	5,743
Revaluation of decommissioning provision	-	(6,994)
Changes to tax rates	7,359	1,651
<b>Total tax (credit)/charge for the year</b>	<u>(15,736)</u>	<u>4,751</u>

<b>DAINTREE WIND FARM LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**8. Tax on (loss)/profit (continued)****Factors that may affect future tax charges**

The standard rate of corporation tax applied to reported loss is 19% (2020 - 19%). A reduction in the rate of UK corporation tax to 17% from 1 April 2020 was substantively enacted as part of the Finance Act 2016. However, in the March 2020 Budget, it was announced that the reduction in the UK rate to 17% would now not occur and the corporation tax rate would be held at 19%. This was substantively enacted on 17 March 2020. In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. This was substantively enacted on 24 May 2021. Deferred tax balances as at 31 December have been calculated at 25%.

**9. Tangible assets**

	Land and buildings £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 January 2021	201,602	5,142,253	5,343,855
At 31 December 2021	<u>201,602</u>	<u>5,142,253</u>	<u>5,343,855</u>
<b>Accumulated depreciation</b>			
At 1 January 2021	50,401	1,552,833	1,603,234
Charge for the year on owned assets	7,467	255,998	263,465
At 31 December 2021	<u>57,868</u>	<u>1,808,831</u>	<u>1,866,699</u>
<b>Net book value</b>			
At 31 December 2021	<u>143,734</u>	<u>3,333,422</u>	<u>3,477,156</u>
At 31 December 2020	<u>151,201</u>	<u>3,589,420</u>	<u>3,740,621</u>

The Company held a 27 year land option classified as land and buildings. On 17 August 2014, the Company exercised its option to lease, by entering into a lease agreement for 27 years. The lease option is released to the Statement of Income and Retained Earnings equally over the 27 years of the lease.

<b>DAINTREE WIND FARM LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. Debtors: Amounts falling due within one year**

	2021 £	2020 £
Trade debtors	-	299,132
Amounts owed by group undertakings	202,779	153,049
Prepayments and accrued income	177,002	149,089
Deferred taxation	-	3,332
	<u>379,781</u>	<u>604,602</u>

Trade debtors are stated after provision for impairment of £NIL (2020 - £NIL).

The amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**11. Cash at bank and in hand**

	2021 £	2020 £
Cash at bank and in hand	293,971	114,808
	<u>293,971</u>	<u>114,808</u>

**12. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	41,956	14,643
Amounts owed to group undertakings	-	770
Other taxation and social security	17,526	32,117
Accruals and deferred income	42,555	62,596
	<u>102,037</u>	<u>110,126</u>

The amounts owed to group undertakings are non-interest bearing and payable on demand.

## DAINTREE WIND FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**13. Creditors: Amounts falling due after more than one year**

	2021 £	2020 £
Amounts owed to group undertakings	4,791,602	4,988,019
	<u>4,791,602</u>	<u>4,988,019</u>

Amounts owed to group undertakings represent unsecured loan notes held by Clean Energy and Infrastructure UK Wind Limited. The loan notes have an interest rate of 10% and a final repayment date of 2036. There are no fixed repayment instalments. The amount owed to Clean Energy and Infrastructure UK Wind Limited at 31 December 2021 includes unpaid interest of £0.038 million (2020 - £0.053 million).

**14. Deferred taxation**

	2021 £	2020 £
At beginning of year	3,332	39,373
Charged to profit or loss	(33,994)	(36,041)
At end of year	<u>(30,662)</u>	<u>3,332</u>

The deferred taxation balance is made up as follows:

	2021 £	2020 £
Fixed asset timing differences	(308,836)	(208,080)
Tax losses carried forward	275,704	209,535
Short term timing differences - trading	2,470	1,877
	<u>(30,662)</u>	<u>3,332</u>

<b>DAINTREE WIND FARM LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**15. Other provisions**

	<b>Decommissioning provision £</b>
At 1 January 2021	<b>104,391</b>
Charged to profit or loss	<b>2,088</b>
<b>At 31 December 2021</b>	<b>106,479</b>

Upon closure of the wind farm, the Company has a requirement to dismantle and clean up the facility sites. This provision represents an estimated cost to perform this function. The provision is expected to crystallise in more than 20 years based on the length of the lease.

**16. Called up share capital**

	<b>2021 £</b>	<b>2020 £</b>
<b>Allotted, called up and fully paid</b>		
3 (2020 - 3) Ordinary shares of £1 each	<b>3</b>	<b>3</b>

**17. Commitments under operating leases**

At 31 December, the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>2021 £</b>	<b>2020 £</b>
Not later than 1 year	<b>40,826</b>	<b>38,935</b>
Later than 1 year and not later than 5 years	<b>163,753</b>	<b>155,739</b>
Later than 5 years	<b>707,311</b>	<b>713,897</b>
	<b>911,890</b>	<b>908,571</b>

**18. Related party transactions**

The Company has taken advantage of the exemption in paragraph 33.1A of Financial Reporting Standard 102 and has not disclosed details of transactions with fellow wholly owned undertakings.

Netro Energy Limited (formerly known as CD Arevon UK Limited) is related to the Company due to being under common control of the directors. Netro Energy Limited charged the Company £0.047 million (2020 - £0.027 million) in respect of asset management services. The amount outstanding as at 31 December 2021 is £NIL (2020 - £NIL).

<b>DAINTREE WIND FARM LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**19. Post balance sheet events**

On 1 April 2022, Clean Energy and Infrastructure UK Limited and all of its subsidiaries were acquired by Vantage RE Ltd.

At this time, the Directors do not believe that any of the Company's assets will be directly affected by the tragic conflict between Russia and the Ukraine. To our knowledge, none of the Company's equipment, service providers or customers have any material operations in the region and we do not expect any disruption to the supply chain related to the Company's assets. The conflict has impacted global energy markets in that we are seeing rising energy (oil & gas) and electricity prices, particularly in Europe. Over the medium term, we expect that these events will further accelerate the UK and Europe's transition away from oil and gas towards clean energy. Depending on the outcome and duration of the conflict, there may be longer-term indirect impacts on the industry that are more difficult to forecast. We will continue to actively and comprehensively monitor the situation as it continues to develop.

**20. Controlling party**

The ultimate controlling party during the year ended 31 December 2021 and up to 31 March 2022 was Capital Dynamics Clean Energy and Infrastructure LP. As at 1 April 2022, following the sale to Vantage RE Ltd, the immediate parent undertaking remains as Clean Energy and Infrastructure UK Wind Limited, a fellow subsidiary of Clean Energy and Infrastructure UK Limited which in turn is a 100% subsidiary of Vantage RE Ltd. Its ultimate parent undertaking is TNB International Sdn Bhd, a company incorporated in Malaysia, whose registered office is Pejabat Setiausaha Syarikat, Tingkat 2, Ibu Pejabat Tenaga Nasional Berhad, No 129 Jalan Bangsar, 59200 Kuala Lumpur, Malaysia.

The immediate parent undertaking as at 31 December 2021 is Clean Energy and Infrastructure UK Wind Limited, a fellow subsidiary of Clean Energy and Infrastructure UK Limited. As at 31 December 2021 the ultimate parent undertaking is Capital Dynamics Clean Energy and Infrastructure LP.

Clean Energy and Infrastructure UK Limited is an investment entity of Capital Dynamics Clean Energy and Infrastructure LP (the "Partnership"). The Partnership is a limited partnership in England under the Limited Partnership Acts 1907 with LP number 14392. The Partnership was constituted by an agreement entered into between Capital Dynamics UK 2 Limited ("Initial GP") and the Limited Partners in the Partnership. On 20 December 2011 the Initial GP transferred its interest in the Partnership to Capital Dynamics CEI GP LP ("CD GP"), a Scottish limited partnership with registered number SL8840 acting by its general partners, Capital Dynamics CEI GP Sarl, a company incorporated under the laws of Luxembourg whose registered office is at 49 Avenue J.F. Kennedy, L 1855 Luxembourg and Capital Dynamics UK GP I LLP, a Scottish limited liability partnership with registered number SO305128. Capital Dynamics Limited has been appointed as the Manager of the Partnership to manage and operate the Partnership and act as investment manager of the Partnership on behalf of the Partners.

Clean Energy and Infrastructure UK Limited is the largest parent undertaking and Clean Energy and Infrastructure UK Wind Limited is the smallest parent undertaking to consolidate these financial statements at 31 December 2021. The consolidated financial statements of Clean Energy and Infrastructure UK Limited and Clean Energy and Infrastructure UK Wind Limited are available from Ibis House, Ground Floor, Ibis Court, Centre Park, Warrington, Cheshire, WA1 1RL.