

Company number: 10706327

**Boomerang Energy Limited**

**Annual report and financial statements  
for the year ended 30 June 2023**

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# **Boomerang Energy Limited**

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## **Boomerang Energy Limited**

### **Company information**

<b>Directors</b>	Peter Edward Dias Christopher Peter Gaydon Edward William Fellows Thomas James Rosser
<b>Company secretary</b>	Octopus Company Secretarial Services Limited
<b>Company number</b>	10706327
<b>Registered office</b>	6th Floor 33 Holborn London England EC1N 2HT
<b>Independent auditors</b>	Ernst & Young LLP Chartered Accountants and Statutory Auditors Bedford House 16 Bedford House Belfast BT2 7DT

## **Boomerang Energy Limited**

### **Strategic report for the year ended 30 June 2023**

The directors present their Strategic report on Boomerang Energy Limited (the "Company") for the year ended 30 June 2023.

#### **Principal activities and Business review**

Boomerang Energy Limited is 100% owned by Helm Power 2 Limited; its ultimate parent company is Fern Trading Limited. The Company is the parent company of a group of companies of which the principal activities are that of construction and operation of wind farms and the generation of wind power.

For the year ended 30 June 2023, the underlying subsidiaries performed well and continue to be underpinned by strong operational performance across the portfolio. The impact of Covid-19, the conflict in Ukraine together with growing turmoil from fluctuations in commodity prices and foreign exchange rates has driven a sharp increase in volatility across markets. Although neither the Company's performance and going concern nor operations, at the date of this report, have been significantly impacted by the above, the Board of Directors continues to monitor the evolving situation and its impact on the financial position of the Company.

The results for the Company for the year ended 30 June 2023 and financial position as at that date were in line with expectations.

#### **Principal risks and uncertainties**

The Company's financial risk management seeks to minimise the exposure to price risk, credit risk, liquidity and cash flow risk and energy market risk.

##### *Energy market risk*

Fluctuations in energy prices are mitigated by entering into contracts which fix a portion of the subsidiaries energy income, reducing exposure to underlying energy prices. 31% (2022: 39%) of the subsidiaries energy income was fixed through price power purchase agreements. Long-term government backed off take agreements, such as the Renewable Obligation Certification ("ROC") scheme also underpin certain revenue streams. 34% (2022: 31%) of the subsidiaries energy income was generated from ROC revenue.

##### *Performance risk*

Unpredictable weather conditions and operational availability could impact revenue generated from energy sites.

Performance risk is mitigated through the Company's operational strategy. The servicing of assets is optimised to maximise availability and limit downtime. This is achieved through performance-backed contractual obligations of key service providers, implementing a spares strategy and enhanced data monitoring to enable faster response times and limit downtime.

##### *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.

The Company may enter hedging transactions in relation to interest rates transactions for the purposes of efficient portfolio management. Where the Company enters borrowing arrangements with floating rate interest, a swap arrangement is entered into to fix a portion of the interest in order to mitigate against an increase in interest rates.

The portion of interest to be fixed is assessed on a case-by-case basis. Management can elect whether to hedge account for these arrangements on an individual transaction basis and have elected to apply hedge accounting for subsidiaries holding interest rate swaps within the group. The Company will not enter derivative transactions for speculative purposes.

## **Boomerang Energy Limited**

### **Strategic report for the year ended 30 June 2023 (continued)**

#### **Principal risks and uncertainties (continued)**

##### *Liquidity and cash flow risk (continued)*

Liquidity risk arises on bank loans in place and is managed through careful monitoring of debt covenants and maintaining sensible levels of debt. The term of borrowing is matched to the life of the assets against which it is secured. Revenue from such assets is received throughout the year therefore mitigates the liquidity risk over long-term borrowing.

#### **Statement by the Directors in performance of their statutory duties in accordance with Section 172(1)(a) to (f) Companies Act 2006**

The directors have considered the interest of other stakeholders within the Strategic 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 section 172. The directors view the key stakeholders of the Company to be shareholders, suppliers, employees and borrowers. When making decisions, each director ensures that they act in the way they consider in good faith would most likely promote the Company's success for the benefit of its members as a whole. The following are a non-exhaustive list of the considerations the directors make when considering promoting the success of the Company:

- a) 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.
- b) There are no employees in the Company.
- c) The Company act in a fair manner with all suppliers and seeks to maintain strong business relationships with them. This is achieved by all contracts being negotiated through fair and transparent processes, which includes an assessment of the impact on the long-term objectives of the Company, and endeavouring to pay invoices within the terms of the contract.
- d) Through the activities in which the Company operates, a positive contribution is made to the environment and the economy through generation of renewable energy, helping the United Kingdom meet its renewable energy targets.
- e) It is recognised by the Board that doing business the right way is key to its long-term success and the Company operates with a high standard of business conduct and ethics which helps to foster a culture of compliance.
- f) The Company is held directly by a single member, and has one ultimate parent company, Fern Trading Limited in the United Kingdom. The directors consider courses of action that enable delivery of our strategic priorities taking into account the impact on the Fern group of companies as a whole.

The directors understand the business and the evolving environment in which we operate and have considered the business specific risks and uncertainties within this Strategic report.

## **Boomerang Energy Limited**

### **Strategic report for the year ended 30 June 2023 (continued)**

#### **Financial key performance indicators**

The Company focuses on capital preservation. In the case of its operational subsidiaries, performance is measured by revenue and EBITDA and compared against the budget set at the beginning of the year. On a quarterly basis, performance is measured against detailed financial forecast model and a returns target set at inception. Results thus far have been in line with expectations.

This report was approved by the Board on 21 December 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'T. Rosser', with a horizontal line underneath.

**Thomas James Rosser**  
**Director**

## **Boomerang Energy Limited**

### **Directors' report for the year ended 30 June 2023**

The directors present their report and the audited financial statements of the Company for the year ended 30 June 2023.

#### **Results and dividends**

The loss for the year amounted to £3,271,465 (2022: £1,783,677) and at the year end the Company had net assets of £87,499,015 (2022: £94,935,870).

Dividend of £19,154,429 were declared and paid during the year (2022: £18,633,042).

#### **Going concern**

The financial statements have been prepared on the going concern basis. The directors have assessed the Company's ability to meet its liabilities as they fall due, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, which has driven a sharp increase in volatility across markets.

The directors have determined that based on recent trading of the Company and revised projections, the above events are not expected to have a detrimental 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 negative impact of these events.

#### **Directors of the Company**

The directors who served during the financial year ended 30 June 2023 and up to the date of signing the financial statements, unless otherwise indicated, are given below:

Peter Edward Dias  
Christopher Peter Gaydon  
Thomas James Rosser  
Edward William Fellows (appointed on 19 December 2022)  
Paul Stephen Latham (resigned on 19 December 2022)

#### **Qualifying third-party indemnity provisions**

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.

#### **Matters covered in the Strategic report**

As permitted by Section 414c (11) of the Companies Act 2006, the directors have elected to disclose information required to be in the Directors' report by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008', in the Strategic report.

#### **Climate change and environmental impacts**

Our involvement in renewable energy, as owner and operator of wind farms, has enabled us to make a positive contribution to the climate change agenda.

#### **Future outlook**

The directors expect the assets of the underlying subsidiaries to continue to perform in line with current performance over the useful lives of the solar farms.

## **Boomerang Energy Limited**

### **Directors' report for the year ended 30 June 2023 (continued)**

#### **Business ethics and governance**

The directors are responsible for ensuring that the activities of the Company and its various businesses are conducted in compliance with the law and applicable governance and regulatory regimes, and in adherence with prevailing best practice for the relevant industry. This includes reviewing internal controls, ensuring that there is an appropriate balance of skills and experience, and ensuring that the financial statements give a true and fair view of the state of affairs of the Company. Further detail can be found in the statement of directors' responsibilities below. In the year to 30 June 2023 no areas of concern have been flagged in this regard.

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

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the Company for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- state whether applicable United Kingdom Accounting Standards, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company will not continue in business.

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

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report, that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

#### **Statement of disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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



## **Boomerang Energy Limited**

### **Directors' report for the year ended 30 June 2023 (continued)**

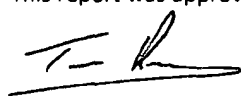
#### **Independent auditors**

Ernst & Young LLP were appointed as auditors to the Company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### **Events since Balance sheet date**

There have been no material adjusting or disclosable events since the financial year end.

This report was approved by the Board on 21 December 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'T. Rosser', is written over a horizontal line.

**Thomas James Rosser**  
**Director**

## **Boomerang Energy Limited**

### **Independent auditor's report to the members of Boomerang Energy Limited**

#### **Opinion**

We have audited the financial statements of Boomerang Energy Limited (the 'Company') for the year ended 30 June 2023 which comprise the Statement of comprehensive Income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the United Kingdom (UK) and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 30 June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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.

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 twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

## **Boomerang Energy Limited**

### **Independent auditor's report to the members of Boomerang Energy Limited (continued)**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

*In our opinion, based on the work undertaken in the course of the audit:*

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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

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

**Independent auditor's report to the members of Boomerang Energy Limited (continued)**

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

**Auditor's 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 auditor's 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.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS 102 and Companies Act 2006) and the relevant direct and indirect tax compliance regulations in the United Kingdom in which the Company operates.
- We understood how the Company is complying with those frameworks by making enquires of management to understand how the Company maintains and communicates its policies and procedures in these areas. We corroborated our inquiries through reading board minutes and correspondence with relevant authorities.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override to be fraud risks. Our procedures also involved testing journals identified by specific risk criteria.
- Based on this understanding we designed our audit procedures to identify non compliance with such laws and regulations. Our procedures involved testing journals identified by specific risk criteria. We read the minutes of Directors' meetings to identify any non-compliance with laws and regulations. We also made enquiries with the Directors and of management regarding compliance with laws and regulations.

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

## **Boomerang Energy Limited**

### **Independent auditor's report to the members of Boomerang Energy Limited (continued)**

#### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read "Ernst & Young LLP", is written over the printed name of the auditor.

Michael Kidd (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Belfast

Date: 21 December, 2023

## Boomerang Energy Limited

### Statement of comprehensive income for the year ended 30 June 2023

	Note	2023 £	2022 £
Administrative expenses		(203,332)	(102,711)
<b>Operating loss</b>		<b>(203,332)</b>	<b>(102,711)</b>
Interest receivable and similar income	6	5,784,231	7,029,900
Interest payable and similar expenses	7	(10,894,128)	(8,710,866)
<b>Loss before tax</b>		<b>(5,313,229)</b>	<b>(1,783,677)</b>
Taxation	8	2,041,764	-
<b>Loss for the financial year</b>		<b>(3,271,465)</b>	<b>(1,783,677)</b>
<b>Other comprehensive income for the year</b>			
Change in value of hedging instruments		19,985,386	24,973,962
Deferred tax on hedging instruments	14	(4,996,347)	(4,124,503)
<b>Other comprehensive income for the year</b>		<b>14,989,039</b>	<b>20,849,459</b>
<b>Total comprehensive income for the year</b>		<b>11,717,574</b>	<b>19,065,782</b>

All activities of the Company are from continuing operations.

The notes on pages 15 to 26 form an integral part of these financial statements.

**Balance sheet**  
**as at 30 June 2023**

	Note	2023 £	2022 £
<b>Non-current assets</b>			
Investments	9	182,424,842	182,424,842
Debtors: amounts falling due more than one year	10	36,483,394	15,556,874
		<u>218,908,236</u>	<u>197,981,716</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	149,221,202	180,840,735
Cash at bank and in hand		15,873,625	8,749,394
		<u>165,094,827</u>	<u>189,590,129</u>
Creditors: amounts falling due within one year	11	(39,791,571)	(24,035,462)
<b>Net current assets</b>		<u>125,303,256</u>	<u>165,554,667</u>
<b>Total assets less current liabilities</b>		<u>344,211,492</u>	<u>363,536,383</u>
Creditors: amounts falling due after more than one year	12	(248,200,486)	(264,476,010)
Deferred tax liability	14	(8,511,991)	(4,124,503)
<b>Net assets</b>		<u>87,499,015</u>	<u>94,935,870</u>
<b>Capital and reserves</b>			
Called-up share capital	15	100	100
Share premium account	16	9,900	9,900
Cash flow hedge reserve	16	27,362,545	12,373,506
Profit and loss account	16	60,126,470	82,552,364
<b>Total shareholders' funds</b>		<u>87,499,015</u>	<u>94,935,870</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 December 2023.



**Thomas James Rosser**  
**Director**

The notes on pages 15 to 26 form an integral part of these financial statements.

## Boomerang Energy Limited

### Statement of changes in equity for the year ended 30 June 2023

	Called-up share capital	Share premium account	Cash flow hedge reserves	Profit and loss account	Total shareholders' funds
	£	£	£	£	£
<b>At 1 July 2021</b>	<b>100</b>	<b>9,900</b>	<b>(8,475,953)</b>	<b>102,969,083</b>	<b>94,503,130</b>
Loss for the financial year	-	-	-	(1,783,677)	(1,783,677)
Change in value of hedging instruments	-	-	24,973,962	-	24,973,962
Deferred tax on hedging instruments	-	-	(4,124,503)	-	(4,124,503)
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>20,849,459</b>	<b>-</b>	<b>20,849,459</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>20,849,459</b>	<b>(1,783,677)</b>	<b>19,065,782</b>
Dividends paid	-	-	-	(18,633,042)	(18,633,042)
<b>At 30 June 2022 and 1 July 2022</b>	<b>100</b>	<b>9,900</b>	<b>12,373,506</b>	<b>82,552,364</b>	<b>94,935,870</b>
Loss for the financial year	-	-	-	(3,271,465)	(3,271,465)
Change in value of hedging instruments	-	-	19,985,386	-	19,985,386
Deferred tax on hedging instruments	-	-	(4,996,347)	-	(4,996,347)
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>14,989,039</b>	<b>-</b>	<b>14,989,039</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>14,989,039</b>	<b>(3,271,465)</b>	<b>11,717,574</b>
Dividends paid	-	-	-	(19,154,429)	(19,154,429)
<b>At 30 June 2023</b>	<b>100</b>	<b>9,900</b>	<b>27,362,545</b>	<b>60,126,470</b>	<b>87,499,015</b>

The notes on pages 15 to 26 form an integral part of these financial statements.



## **Boomerang Energy Limited**

### **Notes to the financial statements for the year ended 30 June 2023**

#### **1. General information**

Boomerang Energy Limited is a private company, limited by shares, incorporated and domiciled in England, the United Kingdom, company number 10706327. The registered office is at 6th Floor, 33 Holborn, London, England, EC1N 2HT.

The Company is the parent company of a group of companies of which the principal activities are that of construction and operation of wind farms and the generation of wind power.

#### **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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom 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 judgement in applying the Company's accounting policies (see note 3).

The Company's functional and presentation currency is the pound sterling.

The following principal accounting policies have been applied:

##### **2.2 Exemptions for qualifying entities under FRS 102**

The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group.

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 as required by FRS 102 paragraph 33.8.

##### **2.3 Consolidation**

These financial statements contain information about the Company as an individual company and do not contain consolidated financial information as a parent undertaking of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the Company and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of Fern Trading Limited, a company incorporated in England, the United Kingdom.

## **Boomerang Energy Limited**

### **Notes to the financial statements for the year ended 30 June 2023 (continued)**

#### **2. Accounting policies (continued)**

##### **2.4 Going concern**

The financial statements have been prepared on the going concern basis. The directors have assessed the Company's ability to meet its liabilities as they fall due, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, which has driven a sharp increase in volatility across markets.

The directors have determined that based on recent trading of the Company and revised projections, the above events are not expected to have a detrimental 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 negative impact of these events.

##### **2.5 Interest income**

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

##### **2.6 Interest expense**

Interest expense are charged to the Statement of comprehensive income over the term of the debt using the effective interest rate 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 and released to the Statement of comprehensive income over the term of the debt.

##### **2.7 Investments**

Investments in subsidiary undertakings and associates are accounted for at cost less any provision for impairment. The value of investments is reviewed annually by the directors or more frequently if there is a triggering event and provision made where the investment's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the Statement of comprehensive income. Where an impairment loss subsequently reverses, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined had no impairment losses been recognised for the investment in prior years. A reversal of impairment loss is recognised immediately in the Statement of comprehensive income.

##### **2.8 Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of comprehensive income, 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.

**Notes to the financial statements  
for the year ended 30 June 2023 (continued)**

**2. Accounting policies (continued)**

**2.8 Taxation (continued)**

*(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 except from certain exceptions. 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.

**2.9 Financial instruments**

*(i) Financial assets*

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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows 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 cost and 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 reporting date.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

## **Boomerang Energy Limited**

### **Notes to the financial statements for the year ended 30 June 2023 (continued)**

#### **2. Accounting policies (continued)**

##### **2.9 Financial instruments (continued)**

###### *(ii) Financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the Statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the Statement of comprehensive income/ Statement of income and retained earnings. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

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.

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in Statement of comprehensive income in finance costs or income as appropriate.

##### **2.10 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 Statement of comprehensive income for the period.

Gains and losses on the hedging instruments and the hedged items are recognised in Statement of comprehensive income 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 Statement of comprehensive income.

##### **2.11 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.

## **Boomerang Energy Limited**

### **Notes to the financial statements for the year ended 30 June 2023 (continued)**

#### **2. Accounting policies (continued)**

##### **2.12 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

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

##### **Critical accounting estimates, assumptions and judgements in applying the entity's accounting policies**

###### *(i) Investment in subsidiaries*

The value of investments in subsidiary undertakings held by the Company is reviewed annually for impairment. The recoverability of these balances is considered with reference to the present value of the estimated future cash flows. These calculations use cash flow projections which extend forward forecasted business performance together with assumptions surrounding the expected life of the asset, externally prepared forecasts and valuations, and any adjustments required to the discount rate to take account of business risk. The estimated present value of these future cash flows is sensitive to the discount rate and growth rate used in the calculation, all of which require management's judgement. Testing of the carrying value has been performed during the year, which has involved several scenarios being modelled. Following this assessment management have concluded that the carrying value of investments in subsidiary entities is supported by the underlying valuations (see note 9).

###### *(ii) Amounts owed by group undertakings*

The value of amounts owed by group undertakings is reviewed annually for recoverability. Where an indication that part of the carrying value is irrecoverable, then an adjustment is required of the carrying value to the recoverable amount with an impairment charge recognised in Statement of comprehensive income.

###### *(iii) Cash flow hedges*

Cash flow hedges are considered for ineffectiveness by comparing the cumulative change in the fair value of the hedged instrument to the cumulative change in the fair value of the hedged item.

## Boomerang Energy Limited

### Notes to the financial statements for the year ended 30 June 2023 (continued)

#### 4. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	20,668	20,000
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
Taxation compliance services	1,562	1,500
All other services	1,750	1,750
	3,312	3,250

#### 5. Employees

The Company had no employees during the year (2022: none). The directors did not receive or waive any remuneration during the year (2022: £nil).

#### 6. Interest receivable and similar income

	2023 £	2022 £
Interest receivable from group companies	5,053,720	6,139,170
Gain on derivative financial instruments	730,511	890,730
	5,784,231	7,029,900

#### 7. Interest payable and similar expenses

	2023 £	2022 £
Interest on bank borrowings	10,894,128	8,710,866

## Boomerang Energy Limited

### Notes to the financial statements for the year ended 30 June 2023 (continued)

#### 8. Taxation

	2023 £	2022 £
<b>Current tax</b>		
Current tax on loss for the year	(1,088,994)	-
Adjustment in respect of previous years	(343,911)	-
<b>Total current tax</b>	<b>(1,432,905)</b>	<b>-</b>
<b>Deferred tax</b>		
Adjustment in respect of previous years	(608,859)	-
<b>Total deferred tax</b>	<b>(608,859)</b>	<b>-</b>
<b>Total tax credit for the year</b>	<b>(2,041,764)</b>	<b>-</b>

#### Factors affecting tax credit for the year

The tax assessed for the year is lower (2022: higher) than the standard rate of corporation tax in the United Kingdom of 20.50% (2022: 19%). The differences are explained below:

	2023 £	2022 £
Loss on ordinary activities before tax	(5,313,229)	(1,783,677)
Tax on loss at standard corporation tax rate of 20.50% (2022: 19%)	(1,088,994)	(338,899)
<b>Effects of:</b>		
Expenses not deductible	-	117
Effects of group relief/ other reliefs	-	338,782
Adjustment in respect of previous years	(952,770)	-
<b>Total tax credit for the year</b>	<b>(2,041,764)</b>	<b>-</b>

#### Factors that may affect future tax charges

United Kingdom Budget 2021 announcements on 3 March 2021 included an increase to the United Kingdom's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. The Finance Bill 2021 was substantively enacted on 24 May 2021 and given Royal Assent on 10 June 2021.

Deferred taxes on the Balance sheet have been measured at 25% which represents the future corporation tax rate that was enacted at the Balance sheet date.

## Boomerang Energy Limited

### Notes to the financial statements for the year ended 30 June 2023 (continued)

#### 9. Investments

	Subsidiary undertakings £
<b>Cost</b>	
At 1 July 2022 and 30 June 2023	182,424,842
<b>Impairment</b>	
At 1 July 2022 and 30 June 2023	-
<b>Net book value</b>	
At 30 June 2022 and 30 June 2023	182,424,842

The directors believe that the book value of the investments is not more than the value of the underlying net assets.

#### *Subsidiary undertakings*

The following were subsidiary undertakings of the Company:

#### *Company's directly owned subsidiaries*

Name	Country of incorporation	Class of shares	Holding	Principal activity
Beinneun Wind Farm Limited	United Kingdom	Ordinary	100%	Operation of a wind farm
Grange Wind Farm Limited	United Kingdom	Ordinary	100%	Operation of a wind farm
Boreas Energy Limited	United Kingdom	Ordinary	100%	Holding company
Notos Energy Limited	United Kingdom	Ordinary	100%	Holding company
Caicias Energy Limited	United Kingdom	Ordinary	100%	Holding company
Fern Energy Cour Holdings Limited	United Kingdom	Ordinary	100%	Holding company
Fern Energy Wind Holdings Limited	United Kingdom	Ordinary	100%	Holding company

#### *Company's indirectly owned subsidiaries*

Auquhirie Land Company Limited	United Kingdom*	Ordinary	100%	Operation of a wind farm
Cour Wind Farm (Scotland) Limited	United Kingdom*	Ordinary	100%	Operation of a wind farm
Fraisthorpe Wind Farm Limited	United Kingdom	Ordinary	100%	Operation of a wind farm
Glenchamber Wind Energy Limited	United Kingdom**	Ordinary	100%	Operation of a wind farm
Wryde Croft Wind Farm Limited	United Kingdom**	Ordinary	100%	Operation of a wind farm

The registered office for entities in the respective country of registration is as follows:

Country	Registered Office
United Kingdom	6th Floor, 33 Holborn, London, EC1N 2HT
United Kingdom*	4th Floor Saltire Court, 20 Castle Terrace, Edinburgh, Scotland, EH1 2EN
United Kingdom**	Beaufort Court, Egg Farm Lane, Kings Langley, Hertfordshire, WD4 8LR



# Boomerang Energy Limited

## Notes to the financial statements for the year ended 30 June 2023 (continued)

### 10. Debtors

	2023 £	2022 £
<b>Amounts falling due more than one year</b>		
Derivative financial instruments (note 17)	36,483,394	15,556,874
	<u>36,483,394</u>	<u>15,556,874</u>
	2023 £	2022 £
<b>Amounts falling due within one year</b>		
Amounts owed by group undertakings	148,498,611	179,112,226
Other debtors	722,591	1,728,509
	<u>149,221,202</u>	<u>180,840,735</u>

Included within amounts owed by group undertakings are unsecured loans with year end balances amounting to £147,065,706 (2022: £179,112,226). The balance bears interest at 3% (2022: 3%) and is repayable on demand.

### 11. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	34,107,835	19,872,431
Trade creditors	42,841	-
Amounts owed to group undertakings	2,778,791	2,223,764
Accruals and deferred income	2,849,603	1,926,766
Other creditors	12,501	12,501
	<u>39,791,571</u>	<u>24,035,462</u>

Amounts owed to group undertakings are unsecured loans with year end balances totalling £2,778,791 (2022: £2,223,764).

### 12. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Bank loans	248,200,486	264,476,010

Bank loans are presented net of debt issue costs.

## Boomerang Energy Limited

### Notes to the financial statements for the year ended 30 June 2023 (continued)

#### 13. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
<b>Bank loans</b>		
Due in one year	34,107,835	19,872,431
Due between one and five years	63,771,124	62,079,117
Due in more than five years	184,429,362	202,396,893
	<u>282,308,321</u>	<u>284,348,441</u>

The bank loan is secured against the assets of the entity and interest is charged at 6 month SONIA rate plus 1.5% per annum (2022: 6 month SONIA rate plus 1.5% per annum).

#### 14. Deferred tax liability

	2023 £	2022 £
At 1 July 2022/2021	4,124,503	-
Credit to Statement of comprehensive income (note 8)	(608,859)	-
Charge to other comprehensive income	4,996,347	4,124,503
	<u>8,511,991</u>	<u>4,124,503</u>
At 30 June 2023/2022		

The provision for deferred tax liability is made up as follows:

	2023 £	2022 £
Short term timing differences - trading	9,120,850	4,124,503
Losses	(608,859)	-
	<u>8,511,991</u>	<u>4,124,503</u>

#### 15. Called-up share capital

	2023 £	2022 £
<b>Allotted, called-up and fully paid</b>		
10,000 (2022: 10,000) ordinary shares of £0.01 each	100	100
	<u>100</u>	<u>100</u>

## Boomerang Energy Limited

### Notes to the financial statements for the year ended 30 June 2023 (continued)

#### 16. Other reserves

	2023 £	2022 £
<b>Balance as at 30 June</b>		
Profit and loss account	60,126,470	82,552,364
Share premium account	9,900	9,900
Cash flow hedge reserve	27,362,545	12,373,506

##### *Profit and loss account*

The profit and loss account represent cumulative profits and losses, net of dividends paid.

##### *Share premium account*

Share premium originated as a result of allotment of shares and related share premium.

##### *Cash flow hedge reserve*

Cash flow hedge reserve represent cumulative profits and losses from hedging activities.

#### 17. Derivative financial instruments

The Company applies hedge accounting to hedge the risk of fluctuations in the value of the security.

Derivative instruments measured at fair value through other comprehensive income:

	2023 £	2022 £
Financial assets	36,483,394	15,556,874

#### 18. Related party transactions

The Company has taken advantage of the exemption under paragraph 33.1 A from the provisions of FRS 102, on the grounds that as at the year ended 30 June 2023 it was a wholly owned subsidiary. There are no other related party transactions.

## **Boomerang Energy Limited**

### **Notes to the financial statements for the year ended 30 June 2023 (continued)**

#### **19. Ultimate parent undertaking and controlling party**

The Company's immediate parent undertaking is Helm Power 2 Limited, a company incorporated in England, the United Kingdom. Its registered office is 6th Floor, 33 Holborn, London, England, EC1N 2HT.

Cedar Energy and Infrastructure Limited is the smallest group to consolidate these financial statements. Its registered office address is 33 Holborn, London, England, EC1N 2HT.

The Company's ultimate parent undertaking as at the year ended 30 June 2023 was Fern Trading Limited, a company incorporated in England, 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 at 6th Floor, 33 Holborn, London, England, EC1N 2HT.

#### **20. Events since Balance sheet date**

There have been no material adjusting or disclosable events since the financial year end.