Smulgedon Windfarm Limited

Directors' report and financial statements

Year ended 31 March 2017

Registered number: NI603284
Smulgedon Windfarm Limited

Directors’ report and financial statements

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Smulgedon Windfarm Limited

Directors and other information

Directors
Barry Gavin (resigned 23 March 2017)
Brendan McGrath (resigned 19 January 2017)
Hugh Logue (resigned 23 March 2017)
Éamonn McGrath (resigned 9 October 2017)
Joseph O’Carroll (appointed 23 March 2017)
Michael O’Sullivan (appointed 23 March 2017)
Kevin Daly (appointed 23 March 2017)
Shane Doherty (appointed 23 March 2017)

Secretary
Barry Gavin (resigned 19 January 2017)
Fintan Neville (appointed 19 January 2017)

Registered office
2nd Floor Princes Dock
14 Clarendon Road
Belfast
Antrim
BT13BG

Auditor
KPMG
Chartered Accountants
1 Stokes Place
St. Stephen’s Green
Dublin 2

Bankers
Bank of Ireland
2 The Diamond
Cromore Road
Coleraine
BT52 IDE

Solicitors
A & L Goodbody
6th Floor
42/46 Fountain Street
Belfast
BT1 5EF

Company number
NI 603284
Smulgedon Windfarm Limited

Directors’ report

The directors present their report together with the audited financial statements of the Smulgedon Windfarm Limited ("the Company") for the year ended 31 March 2017.

Principal activities, review of business and future developments

The principal activity of the Company is the development of a wind farm located in Garvagh, Co. Londonderry, Northern Ireland. The company is in the process of an orderly wind-up as explained in the basis of preparation and therefore these financial statements have not been prepared on a going concern basis. They have been prepared on a wind-up basis of accounting.

Results for the year

The statement of profit and loss and other comprehensive income and balance sheet for the year ended 31 March 2017 are set out on pages 7 and 8.

Dividends

The directors do not recommend payment of a dividend (2016: £Nil).

Directors

The directors of the Company are those listed on the Company information page.

Going concern

The company is in the process of an orderly wind-up as explained in the basis of preparation and therefore these financial statements have not been prepared on a going concern basis. They have been prepared on a wind-up basis of accounting.

Political and charitable contributions

The Company did not make any political donations during the year (2016: £Nil).

Strategic report

The Company has availed of the exemption under s415A of the Companies Act 2006, to omit a strategic report.

Post balance sheet events

On 9 October 2017, the then directors of the ultimate parent company, Gaelectric Holdings plc ("Gaelectric"), resolved to arrange for a divestment process to begin to dispose of the group’s trade and assets. The incoming directors of Gaelectric were instructed to execute this divestment process. At the time of signing of the financial statements of the Company this process was still ongoing. Accordingly, these financial statements are prepared on a wind-up basis of accounting where all assets are stated at their recoverable amounts.
Smulgedon Windfarm Limited

Directors' report (continued)

Provision of information to auditor

Each of the persons who are directors at the time when the directors' report is approved confirmed that:

- so far as that directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and

- that directors have taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information.

Auditor

The auditors, KPMG, Chartered Accountants, will continue in office in accordance with Section 487 of the Companies Act 2006, until the company is struck off.

On behalf of the board

Michael O'Sullivan
Director

Shane Doherty
Director

18 December 2017
Smulgedon Windfarm Limited

Statement of directors’ responsibilities in respect of the directors’ report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. As explained in note 1 - basis of preparation - forming part of the financial statements, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

The directors are responsible for maintaining adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the assets, liabilities, the financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board

Michael O’Sullivan
Director

Shane Doherty
Director

18 December 2017
Independent auditor’s report to the members of Smulgedon Windfarm Limited

We have audited the financial statements of Smulgedon Windfarm Limited for the year ended 31 March 2017 set out on pages 7 to 17, which comprise the statement of profit and loss and other comprehensive income, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the Company’s affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

2 Our opinion on the financial statements is accompanied by an emphasis of matter - non-going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements are no longer prepared on the going concern basis for the reason set out in that note.

3 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below

In our opinion the information given in the directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements.

4 We have nothing to report in respect of matters on which we are required to report by exception

Under ISAs (UK & Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in respect of the above responsibilities.
Independent auditor’s report to the members of Smulgedon Windfarm Limited

(continued)

Basis of our report, responsibilities and restrictions on use

As explained more fully in the statement of directors’ responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK & Ireland). Those standards require us to comply with the Financial Reporting Council’s Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the directors’ report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatement or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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.

Ryan McCarthy
for and on behalf of

KPMG Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen’s Green
Dublin 2
Ireland

18 December 2017
Smulgedon Windfarm Limited

Statement of profit and loss and other comprehensive income
for the year ended 31 March 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(376,612)</td>
<td>(50,148)</td>
</tr>
<tr>
<td>Impairment of assets</td>
<td>(4,036,230)</td>
<td>-</td>
</tr>
<tr>
<td>Loss on ordinary activities before taxation</td>
<td>(4,412,842)</td>
<td>(50,148)</td>
</tr>
<tr>
<td>Taxation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loss on ordinary activities after taxation</td>
<td>(4,412,842)</td>
<td>(50,148)</td>
</tr>
<tr>
<td>Loss attributable to:</td>
<td>(4,412,842)</td>
<td>(50,148)</td>
</tr>
<tr>
<td>Owners of the Company</td>
<td>(4,412,842)</td>
<td>(50,148)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss for the financial year</td>
<td>(4,412,842)</td>
<td>(50,148)</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>(4,412,842)</td>
<td>(50,148)</td>
</tr>
</tbody>
</table>

The accompanying notes and policies form an integral part of the statement of profit and loss and other comprehensive income.
Smulgedon Windfarm Limited

Balance sheet
as at 31 March 2017

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Fixed assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>5</td>
<td>-</td>
<td>3,899,006</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>6</td>
<td>47,410</td>
<td>-</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>19,277</td>
<td>61,209</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>66,687</td>
<td>61,209</td>
</tr>
<tr>
<td>Creditors: amounts falling due within one year</td>
<td>7</td>
<td>(4,541,874)</td>
<td>(51,431)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net current (liabilities)/assets</td>
<td></td>
<td>(4,475,189)</td>
<td>9,778</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets less current liabilities</td>
<td></td>
<td>(4,475,189)</td>
<td>3,908,784</td>
</tr>
<tr>
<td>Creditors: amounts falling due after more than one year</td>
<td>8</td>
<td>-</td>
<td>(3,971,131)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net liabilities</td>
<td></td>
<td>(4,475,189)</td>
<td>(62,347)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital and reserves</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Called up share capital</td>
<td>9</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Profit and loss account</td>
<td></td>
<td>(4,475,190)</td>
<td>(62,348)</td>
</tr>
<tr>
<td>Shareholders’ deficit</td>
<td></td>
<td>(4,475,189)</td>
<td>(62,347)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes and policies form an integral part of the balance sheet.

On behalf of the board

Michael O’Sullivan
Director

Shane Doherty
Director

18 December 2017
## Smulgedon Windfarm Limited

### Statement of changes in equity

*for the year ended 31 March 2017*

<table>
<thead>
<tr>
<th></th>
<th>Called up share capital</th>
<th>Profit and loss account</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 April 2015</strong></td>
<td>1</td>
<td>(12,200)</td>
<td>(12,199)</td>
</tr>
<tr>
<td>Loss for the year</td>
<td>-</td>
<td>(50,148)</td>
<td>(50,148)</td>
</tr>
<tr>
<td><strong>At 31 March 2016</strong></td>
<td>1</td>
<td>(62,348)</td>
<td>(62,347)</td>
</tr>
<tr>
<td>Loss for the year</td>
<td>-</td>
<td>(4,412,842)</td>
<td>(4,412,842)</td>
</tr>
<tr>
<td><strong>Balance at 31 March 2017</strong></td>
<td>1</td>
<td>(4,475,190)</td>
<td>(4,475,189)</td>
</tr>
</tbody>
</table>

The accompanying notes and policies form an integral part of the financial statements.
Smulgedon Windfarm Limited

Notes
forming part of the financial statements

1 Accounting policies

Reporting entity

Smulgedon Windfarm Limited is a Company incorporated in the United Kingdom. The registered number is NI603284. The Company's registered office is 2nd Floor Princes Dock, 14 Clarendon Road, Belfast, Antrim, BT13BG. The Company is being wound up.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU IFRS"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In October 2017, the directors, following discussions with its holding undertaking, resolved to arrange for the orderly wind-up of the affairs of the company. Accordingly, these financial statements are presented on a wind-up basis of accounting where all assets are stated at their estimated recoverable amounts.

The comparative numbers relating to the period ended 31 March 2016 were prepared on a going concern basis as they had been formally approved by the directors prior to the date of the decision to wind up the company.

The Company’s holding undertaking, Gaelectric Holdings Plc. includes the Company in its consolidated financial statements. The consolidated financial statements of Gaelectric Holdings Plc. are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Portview House Thorncastle Street, Dublin, Co. Fingal, Dublin 4.

In these financial statements, the Company has adopted certain disclosure exemptions available under FRS 101. These include:

- a cash flow statement and related notes;
- disclosures in respect of the compensation of key management personnel;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- certain comparative information;
- the effects of new but not yet effective IFRSs; and
- an additional balance sheet for the beginning of the earliest comparative period following transition.

As the consolidated financial statements of Gaelectric Holding Plc include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures;
- Certain disclosures required by IAS 36 Impairment of Assets;
- Certain disclosures required by IFRS 1 Opening Balance Sheet;
- Certain disclosures required by IAS 24 Related Party Disclosures; and
- Certain disclosures required by IAS 1 Comparative Information.
Smulgedon Windfarm Limited

Notes (continued)

1 Accounting policies (continued)

   Basis of measurement

   The financial statements have been prepared on the historical cost basis.

   Functional currency

   These financial statements are presented in sterling, being the functional currency of the Company.

   Foreign currency

   Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions.

   Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

   Going concern

   The company is in the process of an orderly wind-up as explained in the basis of preparation and therefore these financial statements have not been prepared on a going concern basis. They have been prepared on a wind-up basis of accounting.

   Taxation

   The income tax expense comprises current and deferred tax. It is recognised in the income statement except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity, in which case it is recognised in Other Comprehensive Income or directly in equity.

   Current tax is the expected tax payable on the taxable income for the year using tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

   Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes.

   Deferred tax is not recognised for the following temporary differences: those differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that the Company is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

   A deferred tax asset is recognised to the extent that it is probable future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

   Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.
Smulgedon Windfarm Limited

Notes (continued)

1 Accounting policies (continued)

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Operating lease payments

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit or loss as an integral part of the total lease expense.

Non-derivative financial instruments

Trade and other debtors/ trade and other creditors
Trade and other debtors are initially recognised at fair value plus any directly attributable transaction costs. Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition, they are all measured at amortised cost using the effective interest method.

Loans and receivables
These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less. Cash equivalents are short-term highly liquid investments with an original maturity of three months or less from the date of acquisition that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Non-derivative financial liabilities
Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Ordinary shares
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Ordinary dividends declared as final dividends are recognised as a liability in the period in which they are approved by shareholders. Interim dividends are recognised as a liability when declared.
Smulgedon Windfarm Limited

Notes (continued)

1 Accounting policies (continued)

Intangible assets

Development costs relate to the early stage design and testing of wind farm project sites and/or energy storage facilities, which the Company believes will generate probable future economic benefits. When the development reaches the planning consented stage and is approved for construction, the carrying value of the project is transferred to tangible fixed assets. Depreciation of the transferred assets begins when it is available for use, which in the view of management is when the project achieves commercial operation. When a project is no longer expected to reach the consented stage, the carrying amount of the project is impaired and treated accordingly.

Grid connection and related costs are classified as an intangible asset given the ownership of the grid connection transfers to the grid operator upon energisation. Grid connection is then amortised over the life of the asset.

Impairment review

The Company continually reviews its fixed assets for impairment. The carrying amount of the Company’s fixed assets is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If there is evidence of impairment, the recoverable amount associated with the assets, being the higher of the fair value less costs to sell and the value-in-use of the assets is estimated to determine the extent of any such impairment.

2 Loss on ordinary activities before taxation 2017 2016 £ £

Loss on ordinary activities before taxation is arrived at after charging:

Foreign exchange loss 329 8

Auditor’s remuneration has been borne by the holding company in the current year. Directors’ remuneration is borne by another group company.

3 Taxation

Analysis of charge in the year 2017 2016 £ £

UK corporation tax - -
3 Taxation (continued)

Factors affecting the tax charge for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the United Kingdom of 20%. The differences are explained below:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss on ordinary activities before tax</td>
<td>(4,412,842)</td>
<td>(50,148)</td>
</tr>
<tr>
<td>Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2016: 20%)</td>
<td>(882,569)</td>
<td>(10,030)</td>
</tr>
<tr>
<td>Effects of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group relief surrendered/(received)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Expenses not deductible for tax purposes</td>
<td>165,466</td>
<td>10,000</td>
</tr>
<tr>
<td>Deferred tax not recognised</td>
<td>717,103</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. At the Summer Budget 2015, the government announced further reductions in the tax rate from 20% to 19% for the year beginning 1 April 2017, and from 19% to 18% for the year beginning 1 April 2020. The new rates have so far not been enacted.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4 Impairment

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impairment of assets</td>
<td>4,036,230</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,036,230</td>
<td>-</td>
</tr>
</tbody>
</table>

During the current year intangible assets were revalued to current market values.
## Smulgedon Windfarm Limited

### Notes (continued)

<table>
<thead>
<tr>
<th>5</th>
<th>Intangible assets</th>
<th>Development assets £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2016</td>
<td>3,899,006</td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>137,224</td>
<td></td>
</tr>
<tr>
<td>Impairment</td>
<td>(4,036,230)</td>
<td></td>
</tr>
<tr>
<td><strong>At 31 March 2017</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net book value</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2017</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td><strong>At 31 March 2016</strong></td>
<td></td>
<td>3,899,006</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6</th>
<th>Debtors</th>
<th>2017 £</th>
<th>2016 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>VAT</td>
<td>47,410</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>7</th>
<th>Creditors: amounts falling due within one year</th>
<th>2017 £</th>
<th>2016 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>220,002</td>
<td>1,431</td>
<td></td>
</tr>
<tr>
<td>Accruals</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>Amounts owed to group companies (note 12)</td>
<td>4,271,872</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,541,874</td>
<td>51,431</td>
<td></td>
</tr>
</tbody>
</table>

Amounts owed to group companies are interest free and repayable on demand.

<table>
<thead>
<tr>
<th>8</th>
<th>Creditors: amounts falling due after more than one year</th>
<th>2017 £</th>
<th>2016 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts owed to group companies (note 12)</td>
<td>-</td>
<td>3,971,131</td>
<td></td>
</tr>
</tbody>
</table>
Smulgedon Windfarm Limited

Notes (continued)

9  Share capital

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authorised equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>100 ordinary shares of £1 each</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td><strong>Allotted, called up and fully paid</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 ordinary share of £1 each</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

10  Parent company and ultimate parent company

The Company is a 100% subsidiary of Gaelectric NIB 2 Limited, a company incorporated in the Republic of Ireland.

The ultimate parent company is Gaelectric Holdings plc, a company incorporated in the Republic of Ireland.

11  Employees

The Company had no employees during the year ended 31 March 2017 (2016: Nil).
Smulgedon Windfarm Limited

Notes (continued)

12 Related party transactions

At 31 March 2017, the Company had the following outstanding balances with related parties:

<table>
<thead>
<tr>
<th>Amounts owed to related parties</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Gaelectric Developments Limited</td>
<td>493,326</td>
<td>348,426</td>
</tr>
<tr>
<td>Gaelectric Holdings Plc</td>
<td>248,643</td>
<td>248,643</td>
</tr>
<tr>
<td>Wholly owned subsidiaries*</td>
<td>3,529,903</td>
<td>3,374,062</td>
</tr>
<tr>
<td><strong>Balance at end of year</strong></td>
<td><strong>4,271,872</strong></td>
<td><strong>3,971,131</strong></td>
</tr>
</tbody>
</table>

* FRS 101: 8(k) exempts qualifying entities from disclosing related party transactions entered between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by a member of that group.

13 Subsequent events

On 9 October 2017, the then directors of the ultimate parent company, Gaelectric Holdings plc ("Gaelectric"), resolved to arrange for a divestment process to begin to dispose of the group's trade and assets. The incoming directors of Gaelectric were instructed to execute this divestment process. At the time of signing of the financial statements of the Company this process was still ongoing. Accordingly, these financial statements are prepared on a wind-up basis of accounting where all assets are stated at their recoverable amounts.

14 Approval of financial statements

These financial statements were approved by the directors on 18 December 2017.