

# **RESONANCE WIND FINANCE LIMITED**

(the "Company")

Annual Report and Audited Financial Statements

For the year ended 31 December 2020

Registration number: 08624957

# RESONANCE WIND FINANCE LIMITED

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# RESONANCE WIND FINANCE LIMITED

## Administration

Directors:	Orlando Hilton Nicholas Wood
Registered Office:	C/O TMF Group 8th Floor 20 Farringdon Street London EC4A 4AB
Company Secretary:	TMF Group Fund Services (Guernsey) Limited (Formerly TMF Group Fund Services Limited) Western Suite, Ground Floor Mill Court La Charroterie St Peter Port Guernsey GY1 1EJ
Administrator:	TMF Group Fund Services (Guernsey) Limited (Formerly TMF Group Fund Services Limited) Western Suite, Ground Floor Mill Court La Charroterie St Peter Port Guernsey GY1 1EJ
Independent Auditor:	KPMG Channel Islands Limited Glategny Court Glategny Esplanade St Peter Port Guernsey GY1 1WR

# RESONANCE WIND FINANCE LIMITED

## Report of the Directors

The directors submit their report and the audited financial statements for the year ended 31 December 2020. The directors of the Company who served during the year are set out on page 2.

### Principal activities

The principal activity of the Company is to provide loan financing to the investee companies of Resonance British Wind Energy Income Limited ("RBWEIL").

### Results

The loss for the year ended 31 December 2020 amounted to £15,520 (2019: profit of £6,499).

### Going concern and Impact of Covid-19

The coronavirus outbreak in 2020 ("COVID-19") is impacting the global economy and the market environment.

At the date of signing this report, COVID-19 continues to have a significant impact on the global economy and as a result the final impact of COVID-19 on the company's trading activities is hard to predict. Therefore the directors consider that an estimate of the financial impact cannot be made. The directors continue to monitor and follow closely the information released from governments, regulatory bodies and health organisations in the countries in which the company operates. The directors have made an assessment of going concern for a period of 12 months from the date of approval of the financial statements, taking into account both the Company's current performance and outlook, considering the impact of the COVID-19 pandemic, using information available to the date of issue of these financial statements. As part of this assessment the directors considered:

- An analysis of the Company's liquidity; and
- Any potential concerns with respect to the carrying value of the Company's assets as set out in the financial statements.

A key focus at 31 December 2020 was an assessment of the impact of the COVID-19 pandemic on the company, considering the performance before the outbreak of COVID-19, as well as the projected short-term impact on the ability to generate cash flows and the longer-term view of their ability to recover.

The loss for the year was £15,520 and as at 31 December 2020, there was a net liability of £138,001. Management has considered the impact of this, and having performed the assessment, the directors have prepared the financial statements on a going concern basis on the grounds that a significant proportion of creditors are due to related party group company and the current and future sources of funding or support will be more than adequate for the Company's needs. In the event that additional funds should be needed to support the Company, subject to the project being commercial on a long term basis, the directors would seek to procure and are confident that they would be able to secure any necessary funding from the parent company. The Company has a letter of support from Resonance British Wind Energy Income Limited, the ultimate controlling party of the Company which commits to meeting the liabilities of the company for the next 12 months from the date of signing, provided they remain the parent. The directors have considered a period of twelve months from the date of approval of the annual financial statements considering all reasonable fluctuations in the forecast assumptions and currently forecast that the Company is commercial on a long term basis.

### Provision of information to auditor

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

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

### Statement of Directors' responsibilities in respect of the Report of the Directors and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and section 1A of FRS 102 '*The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland*' (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

# RESONANCE WIND FINANCE LIMITED

## Report of the Directors (continued)

### Statement of Directors' responsibilities in respect of the Report of the Directors and the financial statements (continued)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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, and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Independent Auditor

The auditor, KPMG Channel Islands Limited, is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the Board of Directors on 21 July 2021 and signed on behalf of the board by:



**Nicholas Wood**  
Director

## **Our opinion**

We have audited the financial statements of Resonance Wind Finance Limited (the "Company"), which comprise the Statement of Financial Position as at 31 December 2020, the Statement of Income and Retained Earnings for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of the Company's loss for the year then ended;
- are properly prepared in accordance with United Kingdom accounting standards, including Section 1A of FRS 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including FRC Ethical Standards. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## **Going Concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (the "going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

## **Fraud and breaches of laws and regulations – ability to detect**

### **Identifying and responding to risks of material misstatement due to fraud**

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Company's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;

## **Fraud and breaches of laws and regulations – ability to detect (continued)**

### **Identifying and responding to risks of material misstatement due to fraud (continued)**

- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Company's revenue streams are simple in nature with respect to accounting policy choice, and are easily verifiable to external data sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We performed procedures including

- identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and
- incorporating an element of unpredictability in our audit procedures.

### **Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with management (as required by auditing standards), and discussed with management the policies and procedures regarding compliance with laws and regulations.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of litigation or impacts on the Company's ability to operate. We identified Company law as being the area most likely to have such an effect. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### **Context of the ability of the audit to detect fraud or breaches of law or regulation**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **The report of the directors**

The directors are responsible for the report of the directors. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

### **The report of the directors (continued)**

Our responsibility is to read the report of the directors and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the report of the directors;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

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 prepare the 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 the requirement to prepare a strategic report

We have nothing to report in these respects.

### **Respective responsibilities**

#### **Directors' responsibilities**

As explained more fully in their statement set out on pages 3 and 4, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).



**The purpose of our audit work and to whom we owe our responsibilities**

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Rachid Frihmat (Senior Statutory Auditor)**

**For and on behalf of KPMG Channel Islands Limited (Statutory Auditor)**

*Chartered Accountants*

Guernsey

29 July 2021

# **RESONANCE WIND FINANCE LIMITED**

## Statement of Income and Retained Earnings

For the year ended 31 December 2020

	2020 £	2019 £
<b>Turnover</b>	2,488,136	2,600,900
Administrative expenses	(27,653)	(30,457)
<b>Operating profit</b>	2,460,483	2,570,443
Interest payable and similar charges	(2,476,003)	(2,563,944)
<b>(Loss) / Profit on ordinary activities before taxation</b>	(15,520)	6,499
Tax on (loss) / profit on ordinary activities	-	-
<b>(Loss) / Profit for the financial year and total comprehensive income</b>	<b>(15,520)</b>	<b>6,499</b>
Retained earnings at the start of the year	(122,482)	(128,981)
<b>Retained earnings at the end of the year</b>	<b>(138,002)</b>	<b>(122,482)</b>

The above results are all in respect of continuing operations.

There was no other comprehensive income during the year.

The notes to the financial statements on pages 11 to 16 form part of these financial statements

# RESONANCE WIND FINANCE LIMITED

## Statement of Financial Position

As at 31 December 2020

	Notes	2020	2019
		£	£
<b>Non-current Assets</b>			
Debtors - amounts falling due after more than one year	6	30,167,206	32,378,675
<b>Current Assets</b>			
Debtors - amounts falling due within one year	6	4,293,776	3,980,513
Cash and cash equivalents		35,083	32,294
		<u>4,328,859</u>	<u>4,012,807</u>
<b>Creditors - amounts falling due within one year</b>			
Creditors	7	(123,454)	(13,351)
		<u>(123,454)</u>	<u>(13,351)</u>
<b>Net Current Assets</b>		4,205,405	3,999,456
<b>Creditors - amounts falling due in more than one year</b>			
Loan notes	8	(34,510,612)	(36,500,612)
<b>Non-Current Liabilities</b>		<u>(34,510,612)</u>	<u>(36,500,612)</u>
<b>Net Liabilities</b>		<u><u>(138,001)</u></u>	<u><u>(122,481)</u></u>
<b>Capital and Reserves:</b>			
Called up share capital	9	1	1
Retained earnings		(138,002)	(122,482)
<b>Shareholders' Deficit</b>		<u><u>(138,001)</u></u>	<u><u>(122,481)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime (s414(3) of Companies Act).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 July 2021 by:



**Nicholas Wood**  
Director

Registration number: 08624957

The notes to the financial statements on pages 11 to 16 form part of these financial statements

# RESONANCE WIND FINANCE LIMITED

## Notes to the Financial Statements

For the year ended 31 December 2020

### 1. General Information

The Company is a private company, limited by shares, registered in England and Wales. On 7 August 2020 the registered office changed from 1 Tudor Street, London, EC4Y OAH to C/O TMF Group, 8th Floor, 20 Farringdon Street, London, England, EC4A 4AB. Registration number: 08624957.

### 2. Statement of Compliance

The financial statements have been prepared in accordance with the provisions of Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

### 3. Accounting policies

#### 3.1. Basis of preparation of financial statements

These financial statements for the year ended 31 December 2020 have been prepared in accordance with FRS102 Section 1A small entities.

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities.

The financial statements are prepared in Sterling, which is the functional currency of the entity.

#### 3.2. Going concern and Impact of Covid-19

The coronavirus outbreak in 2020 ("COVID-19") is impacting the global economy and the market

At the date of signing this report, COVID-19 continues to have a significant impact on the global economy and as a result the final impact of COVID-19 on the company's trading activities is hard to predict. Therefore the directors consider that an estimate of the financial impact cannot be made. The directors continue to monitor and follow closely the information released from governments, regulatory bodies and health organisations in the countries in which the company operates. The directors have made an assessment of going concern for a period of 12 months from the date of approval of the financial statements, taking into account both the Company's current performance and outlook, considering the impact of the COVID-19 pandemic, using information available to the date of issue of these financial statements. As part of this assessment the directors considered:

- An analysis of the Company's liquidity; and
- Any potential concerns with respect to the carrying value of the Company's assets as set out in the financial statements.

A key focus at 31 December 2020 was an assessment of the impact of the COVID-19 pandemic on the company, considering the performance before the outbreak of COVID-19, as well as the projected short-term impact on the ability to generate cash flows and the longer-term view of their ability to recover.

The loss for the year was £15,520 and as at 31 December 2020, there was a net liability of £138,001. Management has considered the impact of this, and having performed the assessment, the directors have prepared the financial statements on a going concern basis on the grounds that a significant proportion of creditors are due to related party group company and the current and future sources of funding or support will be more than adequate for the Company's needs. In the event that additional funds should be needed to support the Company, subject to the project being commercial on a long term basis, the directors would seek to procure and are confident that they would be able to secure any necessary funding from the parent company. The Company has a letter of support from Resonance British Wind Energy Income Limited, the ultimate controlling party of the Company which commits to meeting the liabilities of the company for the next 12 months from the date of signing, provided they remain the parent. The directors have considered a period of twelve months from the date of approval of the annual financial statements considering all reasonable fluctuations in the forecast assumptions and currently forecast that the Company is commercial on a long term basis.

# RESONANCE WIND FINANCE LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

## 3. Accounting policies (continued)

### 3.3. Critical accounting judgements, estimates and assumptions

In preparing these financial statements in conformity with FRS 102 Section 1A, the directors have made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

#### a. Judgements

##### *Determination of functional currency*

Functional currency is the currency of the primary economic environment in which the Company operates. If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The majority of the Company's transactions are denominated in Sterling. Shareholders' contributions and distributions are also received and paid in Sterling. Accordingly, the directors have determined that the functional currency of the Company is Sterling.

#### b. Estimates and assumptions

Impairment tests on the carrying value of accounts receivable are undertaken;

- at the end of the first full financial period following acquisition and each year thereafter; and
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Should the impairment review indicate a permanent diminution in value, the carrying value is written down accordingly.

There are no other material estimates and assumptions included in the financial statements.

### 3.4. Turnover

Turnover comprises interest on loan financing provided to investee companies of Resonance British Wind Energy Income Limited ("RBWEIL") and is recognised on an accruals basis.

### 3.5. Interest receivable and similar income

Bank interest and similar income, are accounted for on an accruals basis.

### 3.6. Interest payable

Interest payable is accounted for on an accruals basis.

### 3.7. Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

# RESONANCE WIND FINANCE LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

## 3. Accounting policies (continued)

### 3.7. Taxation (continued)

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

### 3.8. Expense recognition

Expenses are accounted for on an accruals basis and are recognised in the period in which they are incurred.

### 3.9. Foreign currency transactions

Foreign currency monetary assets and liabilities are translated into Sterling at the rate of exchange ruling at the Statement of Financial Position date. Transactions in foreign currency are translated at the rate of exchange ruling at the date of the transaction. Foreign exchange gains and losses are included in the Statement of Income and Retained Earnings.

### 3.10. Financial instruments

The Company has chosen to adopt Section 11 and Section 12 of FRS 102 in respect of financial instruments.

#### Financial assets

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They principally comprise loan financing advanced and cash and cash equivalents. They are basic financial instruments and therefore initially recognised at fair value plus transaction costs that are directly attributable to the acquisition and subsequently carried at amortised cost using the effective interest rate method, less provisions for impairment.

#### Financial liabilities

Financial liabilities comprise of creditors and loans which are basic financial liabilities and are recognised initially at fair value net of directly attributable transaction costs. Creditors are subsequently stated at amortised cost using the effective interest rate method.

#### Cash and cash equivalents

Cash and cash equivalents comprise bank balances and short term cash deposits.

## 4. Auditor's Remuneration

	2020 £	2019 £
Auditor's remuneration	9,250	8,450

## 5. Staff costs

The average number of persons employed by the Company during the year, excluding the directors, amounted to nil (2019: nil). No compensation for services rendered by the directors was payable during the year (2019: £nil).

# RESONANCE WIND FINANCE LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

## 6. Debtors

	2020 £	2019 £
<i>Due within one year</i>		
Amounts owed from group undertakings (note 10)	4,293,776	3,980,303
Prepayments	-	210
	<u>4,293,776</u>	<u>3,980,513</u>

	2020 £	2019 £
<i>Due after more than one year</i>		
Amounts owed from group undertakings	<u>30,167,206</u>	<u>32,378,675</u>

This table below shows the movement in the amounts owed by group undertakings:

	2020 £	2019 £
Balance at 1 January	36,358,978	38,572,108
Loans repaid	(2,017,698)	(2,302,571)
Interest charged (note 10)	2,488,136	2,600,900
Interest received	(2,488,136)	(2,600,900)
Capitalised interest	119,702	89,441
Balance at 31 December (note 10)	<u>34,460,982</u>	<u>36,358,978</u>

## 7. Creditors

	2020 £	2019 £
<i>Amounts falling due within one year</i>		
Accruals and other payables	<u>123,454</u>	<u>13,351</u>

## 8. Loans

Details of loans not wholly repayable within five years are as follows:

	2020 £	2019 £
Unsecured loan notes due 2029 and payable in variable instalments:		
Due after more than five years	<u>34,510,612</u>	<u>36,500,612</u>

The table below shows the movement in the unsecured loan notes:

	2020 £	2019 £
Balance at 1 January	36,500,612	38,739,433
Loan interest charged	2,476,003	2,563,944
Loan interest paid	(2,476,003)	(3,475,765)
Loan notes repaid	(1,990,000)	(1,327,000)
Balance at 31 December	<u>34,510,612</u>	<u>36,500,612</u>

# RESONANCE WIND FINANCE LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

## 8. Loans (continued)

On 5 March 2014, the Company authorised the issue of up to £100,000,000 unsecured loan notes due 2029 under a loan note instrument to RBWEIL and Resonance British Wind Energy Income LP ("RBWEILP") (up to 30 September 2016 - see paragraph below), which bears interest of 6.9% per year compounded on a daily basis. If any sum payable by the Company is not paid on the due date, interest at the rate of 10.9% per year shall be accrued on a daily basis. On 30 September 2016, a proportion of interest was waived and capitalised, but this was done at the rate of 6.9%.

On 13 June 2016 the Company issued new loan notes of £12,895,413 to RBWEIL. The new loan notes have the same terms as the existing loan notes issued to RBWEIL.

On 30 September 2016, RBWEILP was the holder of £11,054,284 unsecured loan notes and on that date the Company redeemed these loan notes with the principal value of £11,054,284 plus accrued interest of £108,368 giving a total redemption amount of £11,162,652.

At 31 December 2020, the Company held £34,510,612 of unsecured loan notes (2019: £36,500,612) and accrued interest of £nil (2019: £nil). Loan note repayments totalling £1,990,000 (2019: £1,327,000) were made during the year

## 9. Share Capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £0.01 each	1	1

The ordinary shares carry full voting rights at general meetings of the Company and no rights to fixed income.

## 10. Related Parties

Mr N J Wood, director of the Company, is also director of the parent company, RBWEIL. No director fees are charged for their services as director of the Company.

Details of the Company's loan note to RBWEIL and RBWEILP are shown in Note 8 of these financial statements.

The Company has loans receivable with the following subsidiaries, all of which bear interest at 7% per year and have a fixed term of repayment. The amounts outstanding as at 31 December 2020, and interest charged during the year, are outlined in the following table:

	Loan Outstanding 2020 £	Loan Interest Charged 2020 £	Amount Outstanding 2019 £	Loan Interest Charged 2019 £
<b>Company</b>				
Arnish Moor Wind Farm Limited ("AMWFL")	2,164,333	154,905	2,307,874	164,712
Bettyhill Wind Energy Limited ("BWEL")	2,456,958	180,006	2,650,088	196,314
Resonance BidCo 1 Limited ("RB1L")	7,325,015	520,707	7,657,238	542,121
Resonance Industrial Wind Portfolio Limited ("RIWPL")	5,520,774	403,494	5,878,210	425,862
Strath of Brydock Wind Farm Limited ("SOBWFL")	5,878,422	435,345	6,449,493	470,829
Standford Wind Farm Limited ("SWFL")	6,620,730	469,007	6,702,303	470,059
Oakdale Wind Farm Limited ("OWFL")	4,494,750	324,672	4,713,772	331,003
	34,460,982	2,488,136	36,358,978	2,600,900



# RESONANCE WIND FINANCE LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

## 10. Related Parties (continued)

On 31 December 2020, interest of £7,870 (2019: £nil), £57,521 (2019: £nil) and £54,813 (2019: £nil) charged to AMWFL, BEWEL and SOBWFL respectively, was capitalised in the respective loans.

During the year ended 31 December 2020, loan interest was overpaid by OWFL, RB1L, RIWPL and SWFL totalling £105,061 to the Company. These amounts are still outstanding at year end.

## 11. Ultimate Parent Undertaking and Controlling Party

The immediate parent company at the reporting date was RBWEIL, a company incorporated in Guernsey, who is also considered the ultimate controlling party.

## 12. Subsequent Events

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were issued and determined that there were no such events requiring recognition or disclosure in the financial statements.