Company Registration No. 04150735 (England and Wales)

RWE RENEWABLES UK ROBIN RIGG WEST LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

RWE RENEWABLES UK ROBIN RIGG WEST LIMITED

COMPANY INFORMATION

Directors	C Forbes	
	J McKenzie	
	R Crowhurst	(Appointed 23 March 2022)
Company secretary	P Sainsbury	
Company number	04150735	
Registered office	Greenwood House Westwood Way Westwood Business Park Coventry United Kingdom CV4 8PB	
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London United Kingdom WC2N 6RH	

RWE RENEWABLES UK ROBIN RIGG WEST LIMITED

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RWE RENEWABLES UK ROBIN RIGG WEST LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Fair review of the business
Throughout the year under review the company continued to operate and maintain the Robin Rigg West wind farm.

The company's key financial and other performance indicators during the year were as follows:

	2021	2020 as restated
	£000	£000
Revenue	31,535	40,113
Profit for the financial year	1,232	11,318
Net assets	14,158	72,926
Total assets less current liabilities	66,899	123,153

Revenue has decreased by 21.38% compared to the prior year. This decrease is primarily due to lower generated power volumes compared to the prior year. The company generated 251.07 GWh of electricity during the year (2020: 328.59 GWh). Decrease in revenue is the primary cause for the decrease in profit.

Net assets have reduced due to a refinancing of the company, whereby its borrowings have increased by £49m.

The results for the year are presented on page 10 of the financial statements. The position of the company as at 31 December 2021 is provided on page 11 of the financial statements.

Principal risks and uncertainties

The principal risk and uncertainty facing the business is that in the event average wind speeds fall significantly below expectations, this would have a negative impact on turnover and cash flows. The company makes every effort to ensure availability remains high to minimise the impact of low wind speeds.

Brexit

Risks to the company resulting from the UK's departure from the EU in 2020 are not considered significant. The introduction of new customs procedures has not had a significant impact on the sourcing of key components or spares, and the residual risk of future changes to tariffs continues to be monitored by the directors. Changes to economic forecast assumptions resulting from Brexit such as power prices, foreign exchange, inflation, interest rates and economic growth have been factored into the company's business plans and forecasts.

Current market and political risks

Significant uncertainty exists following the Russian invasion of Ukraine in February 2022. Many countries including the UK imposed economic sanctions on Russia. Uncertainty concerning commodity deliveries from Russia has caused a significant increase in gas and electricity prices. In some European countries, including the UK, governments are working on measures to reduce dependency on Russian oil and gas imports. It is not possible to predict the development of the Ukraine conflict or its consequences. The company has no business relationships with Russian or Ukrainian companies and is not exposed to direct risks to its activities arising from the conflict or the economic sanctions.

Over the course of the past year, prices quoted in the electricity forward market hit an all-time high. As a result, the earnings prospects of the wind farm have become more favourable. If limits are placed on Russian natural gas imports in the long term due to the Ukraine conflict, then energy prices may remain high. However, the crisis puts economic growth at risk and, should energy prices remain very high due to the Ukraine conflict, the UK economy may prove less robust than previously foreseen, with recent economic growth predictions downgraded compared to the year under review. There is a risk that an economic recession will put downward pressure on electricity prices later in 2022 and into 2023. The directors continue to monitor the impact of current and forecast electricity prices on the company's revenue and cash position.

As a result of both the crisis in Ukraine and global industrial contraction during the pandemic, inflation is predicted to increase in the short-to-medium term. The directors anticipate that this will adversely affect the prices at which the company procures goods and services, including through index-linked contracts, and have factored this into the business plan and forecasts.

Risks related to climate change

The company is exposed to direct and indirect long-term risks related to the effects of climate change, such as a fall in average wind speeds, more frequent and intense weather events, and rising sea levels. Assets procured and constructed by the company have been tested to withstand extreme weather conditions, and the company mitigates financial risk of property damage and business interruption by insuring its assets and revenues where possible. The company monitors average wind speeds on a year-on-year basis, which inform its long-term forecasts. The directors do not consider the effects of climate change to pose a direct risk to the operations of the wind farm in the foreseeable future. The output of the wind farm contributes to the growing proportion of renewable energy generated in the UK, aligned with the UK government's Net Zero strategy.

On behalf of the board

claire forbes

C Forbes
Director

15 December 2022

The directors present their Annual Report and the audited financial statements for the year ended 31 December 2021.

Principal activities
The principal activity of the company continued to be that of the generation and sale of electricity from the Robin Rigg West wind farm.

Results and dividends
The results for the year are set out on page 10.

Ordinary dividends were paid amounting to £60,000k. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C Forbes	
J McKenzie	
R Crowhurst	(Appointed 23 March 2022)
S Prousch	(Resigned 22 March 2022)

Qualifying third party indemnity provisions
The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Financial risk management
The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs. The company's operations expose it to a few financial risks which are set out below.

Liquidity and cash flow risk
The company is a profitable and cash generating business. It participates in the RWE Group cash pooling mechanism through the ultimate parent undertaking, RWE AG, providing short term liquidity within agreed limits. Due to these factors the company is not subject to liquidity or cash flow risk.

Interest rate risk
The company’s activities expose it to interest rate risk. The company’s risk management programme seeks to minimise potential adverse effects on the company’s financial performance arising from the unpredictability of financial markets. Interest on funds owed by the company to group undertakings are linked to EONIA.

Currency risk
The company has no significant exposure to currency risk as the majority of the company’s transactions and balances are denominated in sterling.

Credit risk
The company has no significant exposure to credit risk.

Price risk
The company’s activities expose it to price risk arising from the sale of electricity and Renewable Obligations Certificates (ROCs). The directors monitor the effects of changes to electricity and ROC prices and consider that this risk is acceptable to the business at the individual entity level.

Post reporting date events

On 11 October 2022, the UK Government introduced the new Energy Prices Bill, putting into law support for consumers with energy costs. The announcement suggests there will be a temporary unit price cap on revenues for renewable energy generators that will come into force at the start of 2023. This will be implemented through a new temporary Cost-Plus Revenue Limit in England and Wales, and in Scotland will be subject to liaison with the Scottish Government. A voluntary Contracts for Difference process for existing generators may also be introduced during 2023. The full details of the bill are subject to consultation and its financial effect is therefore unclear at this time.

Future developments

The wind farm is expected to continue generating electricity in 2022 and over the expected useful life of the wind farm assets.

Independent auditors

PricewaterhouseCoopers LLP are deemed to be re-appointed as auditors of the company in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

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 law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 “Reduced Disclosure Framework”, and applicable law).

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Directors' confirmations

In the case of each director in office at the date the directors’ report is approved:

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

Going concern

The directors have fully considered the risks and uncertainties of the company's cash flow forecast and projections.

Notwithstanding the net current liability position of the company at the year end, the going concern basis is considered to be appropriate by the directors as the company's unsecured short-term loans from RWE AG were refinanced on 1 July 2022. The company entered into a long term-loan agreement on 1 July 2022 for £82,800,000 with RWE Renewables UK Limited maturing on 30 June 2032. The loan is repayable in semi-annual instalments and interest is payable at 4.04%. The directors have a reasonable expectation based on forecasts that the company will generate sufficient cash flow to service this long-term loan.

On this basis, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

COVID-19

The COVID-19 pandemic, which has persisted for more than two years, continues to expose the company to risks, although the risks are considered to be manageable, primarily as a result of successful vaccination programmes. Supply chain pressures and periods of staff absence from the company's service providers have not materially affected the reliable operation and availability level of the wind farm. As a result of comprehensive preventive measures and contingency plans, the company and its service providers have been able to continue operating effectively and profitably, and the directors are confident that the company can continue to do so for the foreseeable future.

On behalf of the board

Claire Forbes

C Forbes
Director

15 December 2022

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RWE RENEWABLES UK ROBIN RIGG WEST LIMITED

Report on the audit of the financial statements

Opinion
In our opinion, RWE Renewables UK Robin Rigg West Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of financial position as at 31 December 2021; the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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

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

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

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

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

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

Reporting on other information

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

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

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

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

Strategic report and Directors' report

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

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;

- Understanding and evaluating controls designed to prevent fraud and detect irregularities and fraud;

- Assessing significant judgements and estimates, in particular those relating to impairment of generating assets; and

- Identifying and testing journal entries, in particular those journal entries posted with unusual account combinations.

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

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

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 auditors' 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.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

James Cadzow (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
16 December 2022

RWE RENEWABLES UK ROBIN RIGG WEST LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £000	2020 as restated £000
Revenue		31,535	40,113
Cost of sales		(22,590)	(21,132)
Gross profit		8,945	18,981
Administrative expense		(1,408)	(1,339)
Other operating income		267	109
Operating profit	**4**	7,804	17,751
Finance costs	**8**	(305)	(697)
Profit before taxation		7,499	17,054
Tax on profit	**9**	(6,267)	(5,736)
Profit and total comprehensive income for the financial year		1,232	11,318

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

RWE RENEWABLES UK ROBIN RIGG WEST LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021		2020 as restated	
		£000	£000	£000	£000
Fixed assets					
Intangible assets	**11**		827		894
Property, plant and equipment	**12**		123,879		134,202
			124,706		135,096
Current assets					
Inventories	**13**	394		761	
Trade and other receivables	**14**	32,329		25,221	
Cash and cash equivalents		301		-	
		33,024		25,982	
Current liabilities					
Borrowings	**15**	76,232		26,935	
Trade and other payables	**16**	5,949		3,990	
Taxation		7,697		6,160	
Lease liabilities	**17**	953		840	
		90,831		37,925	
Net current liabilities			(57,807)		(11,943)
Total assets less current liabilities			66,899		123,153
Non-current liabilities					
Lease liabilities	**17**	3,084		3,049	
			(3,084)		(3,049)
Provisions for liabilities					
Deferred tax liabilities	**18**		(19,109)		(16,261)
Other provisions	**19**		(30,548)		(30,917)
Net assets			14,158		72,926
Equity					
Called up share capital	**20**		-		-
Retained earnings			14,158		72,926

The financial statements were approved by the board of directors and authorised for issue on 15 December 2022 and are signed on its behalf by:

Claire Forbes

C Forbes
Director

Company Registration No. 04150735

RWE RENEWABLES UK ROBIN RIGG WEST LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Called up share capital £000	Retained earnings £000	Total £000
Balance at 1 January 2020		-	61,608	61,608
Year ended 31 December 2020:				
Profit and total comprehensive income for the year (as originally stated)		-	10,892	10,892
Restatement adjustment		-	426	426
Profit and total comprehensive income for the year (as restated)		-	11,318	11,318
Balance as restated at 31 December 2020		-	72,926	72,926
Year ended 31 December 2021:				
Profit and total comprehensive income for the year		-	1,232	1,232
Dividends	**10**	-	(60,000)	(60,000)
Balance at 31 December 2021		-	14,158	14,158

1 Accounting policies

Company information

RWE Renewables UK Robin Rigg West Limited is a private company, limited by shares incorporated and domiciled in the United Kingdom. The registered office is Greenwood House Westwood Way, Westwood Business Park, Coventry, United Kingdom, CV4 8PB. The company's principal activities and nature of its operations are disclosed in the Directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006, as applicable to companies using Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations, discontinued operations, related party transactions, revenue from contracts with customers and leases.

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64(p), B64(q)(ii), B66 and B67of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of RWE AG in which the entity is consolidated;
- the requirements of paragraph 33 (c) of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 (the company has not presented a third statement of financial position),111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers; and
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total.

Where required, equivalent disclosures are given in the group financial statements of RWE AG. The group financial statements of RWE AG are available to the public and can be obtained as set out in note 23.

1 Accounting policies **(Continued)**

1.2 Prior period restatement

The company has restated the prior year accounts to correct for the following items:

A vessel lease with an external party that was entered into both by the company and its associated company, RWE Renewables Robin Rigg East Ltd, was previously erroneously presented solely in the financial statements of the company. The lease liability, right of use asset, and all associated charges are now presented in both companies pro-rata to the number of extant wind turbine generators owned by each company, and consistent with the basis on which the companies share all other expenditure.

The decommissioning provision, decommissioning asset and associated charges were previously erroneously recognised on an equal basis between the company and its associated company RWE Renewables Robin Rigg East Ltd. These items are now presented in both companies reflecting the commissioned plant and equipment that is owned by each company at each balance sheet date.

The company believes the new presentation is preferable as it reflects rights and obligations of the company with regard to its associated company RWE Renewables Robin Rigg West Ltd more consistently and in accordance with the cost sharing convention established between the two companies. The change has been accounted for retrospectively and comparative information has been restated.

Categories restated in the Statement of Comprehensive Income			
for the year ended 31 December 2020			
	As originally reported	**Adjustment**	**As restated**
	£'000	**£'000**	**£'000**
Cost of sales	(21,852)	720	(21,132)
Finance costs	(513)	(184)	(697)
Tax on profit	(5,626)	(110)	(5,736)
		426	
Categories restated in the Statement of Financial Position			
as at 31 December 2020			
	As originally reported	**Adjustment**	**As restated**
	£'000	**£'000**	**£'000**
Fixed assets			
Property, plant and equipment	134,207	(5)	134,202
Current assets			
Trade and other receivables	24,633	588	25,221
Current liabilities			
Lease liabilities	1,447	(607)	840
Taxation	6,045	115	6,160
Non-current liabilities			
Lease liabilities	3,101	(52)	3,049
Provisions for liabilities			
Deferred tax liabilities	16,266	(5)	16,261
Other provisions	30,211	706	30,917
Net assets		426	
Equity			
Retained earnings	72,500	426	72,926

1 Accounting policies **(Continued)**

1.3 Going concern

The directors have fully considered the risks and uncertainties of the company's cash flow forecast and projections.

Notwithstanding the net current liability position of the company at the year end, the going concern basis is considered to be appropriate by the directors as the company's unsecured short-term loans from RWE AG were refinanced on 1 July 2022. The company entered into a long term-loan agreement on 1 July 2022 for £82,800,000 with RWE Renewables UK Limited maturing on 30 June 2032. The loan is repayable in semi-annual instalments and interest is payable at 4.04%. The directors have a reasonable expectation based on forecasts that the company will generate sufficient cash flow to service this long-term loan.

On this basis, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

COVID-19

The COVID-19 pandemic, which has persisted for more than two years, continues to expose the company to risks, although the risks are considered to be manageable, primarily as a result of successful vaccination programmes. Supply chain pressures and periods of staff absence from the company's service providers have not materially affected the reliable operation and availability level of the wind farm. As a result of comprehensive preventive measures and contingency plans, the company and its service providers have been able to continue operating effectively and profitably, and the directors are confident that the company can continue to do so for the foreseeable future.

1.4 Revenue

Revenue from contracts with customers comprises the fair value of the consideration received or receivable in respect of the invoiced and accrued value of generated electricity and Renewable Obligations Certificates (ROCs).

Revenue represents income from power purchase and ROC transfer agreements relating to the generation of electricity from wind farm sites. Revenue comprises the value of units of electricity and ROCs supplied during the year and is recognised when the performance obligation has been satisfied, which is when the electricity is delivered to the customer. Units of electricity are determined by energy volumes recorded on the wind farm meters and market settlement systems. ROCs granted to the company are recognised when eligible electricity is generated and is immediately transferable to the customer. Revenue is measured based on the consideration specified in a contract with a customer (transaction price) and excludes amounts collected on behalf of third parties, i.e. VAT. Variable consideration is recognised in revenue when it is highly probable that the revenue will not be reversed in subsequent periods. The consideration for the power is due when the actual power is delivered to the customer.

Revenue is generated entirely within the United Kingdom.

1.5 Intangible assets other than goodwill

Intangible assets relate to the rights, licences and development costs incurred prior to the construction of the Robin Rigg West Wind Farm. Development expenditure is written off as incurred except where the directors are satisfied that the project under development has sufficient likelihood to generate future economic benefits. In such cases the identifiable expenditure is capitalised as an intangible asset until commencement of construction. Subsequent expenditure is then capitalised as tangible fixed assets. Provision is made for any impairment.

1 Accounting policies **(Continued)**

Amortisation
Development costs are amortised from the date a project becomes operational.

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation rate
Operating licence and development costs	23 years

1.6 Property, plant and equipment

Property, plant and equipment is stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation of property, plant and equipment is provided on a straight line basis to write off the cost less the estimated residual value of the assets by equal instalments over their estimated useful economic life as follows:

Vessels	Related lease term
Wind farm	23 years
Decommission asset	23 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.7 Impairment of tangible and intangible assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1 Accounting policies **(Continued)**

1.8 Inventories

Inventories relate to spare parts to be used in the operation and maintenance of the wind farm. Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, or net realisable value.

Cost is calculated using the weighted average price method.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Inventories are related to spare parts to be used in the operation and maintenance of the wind farm.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

Financial assets are classified as held at amortised cost or at fair value through other comprehensive income unless conditions for classification as such are not met, in which case financial assets are classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognised initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included in the appropriate line item depending on the nature of the asset within the income statement for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company’s business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

1 Accounting policies **(Continued)**

The company has made an irrevocable election to recognise changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognised initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to retained earnings when equity instrument is derecognised or its fair value substantially decreased. Dividends are recognised as finance income in profit or loss.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For trade receivables and contract assets, the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables – see note 14.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.11 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding. For trade receivables and contract assets, the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables – see note 14.

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.12 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income. In this case, the tax is also recognised in other comprehensive income.

Current tax

The current income tax charge is calculated on the basis of the laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income.

Deferred tax

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balance on a net basis.

1.13 Provisions

A provision is made for the decommissioning of the Robin Rigg West wind farm based on an assessment of the current cost of decommissioning. Decommissioning is expected to take place in 2033.

Provisions for decommissioning are recognised in full when the related facilities are constructed. A corresponding amount equivalent to the provision is also recognised as part of the cost of the related plant and equipment. The amount recognised is the estimated cost of decommissioning, discounted to its net present value, and is reassessed each year in accordance with local conditions and requirements. Changes in the estimated timing of decommissioning costs estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to the wind farm cost. The unwinding of the discount on the decommissioning provision is included as a finance cost.

1.14 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment.

1 Accounting policies (Continued)

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Adoption of new and revised standards and changes in accounting policies

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2021 that have had a material impact on the company’s financial statements.

3 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Renewable Obligation Certificate (ROC) recycle revenue

The company has accrued for Renewables Obligation Certificates ('ROC') recycle revenue in the year. There is a high degree of estimation involved when accruing for expected ROC recycle revenue. The key estimate surrounds the unit price, which isn't known until after the compliance period. In order to determine the relevant revenue for each financial year, management use an estimate for ROC prices provided by an independent energy expert consulting company, which takes into account expected generation for the UK. See note 14 for further details on the accrued Renewables Obligation Certificates ('ROC') recycle revenue.

Intangible assets useful economic life

Intangible assets are amortised over their useful economic lives, which have been assessed as 23 years. Assessment of useful lives is performed annually, taking into account factors such as technological innovation, maintenance programmes, market information and management considerations.

In assessing the value, the remaining life of the asset, its projected disposal value and future market conditions are taken into account. The effects of changes in estimates do not give rise to prior year adjustments and are dealt with prospectively over the estimated remaining useful life of the asset. While the company uses its best estimates and judgement, actual results could differ from those estimates. See note 11 for the carrying amount of intangible assets and note 1.5 of the accounting policies for the useful economic lives for each class of assets.

Impairment of intangibles

Significant investments are made in intangible assets. These non-current assets are tested for possible impairment where there are indicators of loss of value. Calculating the recoverable amount requires a series of estimates concerning future cashflows, of which paths and production volume are the most important. There were no indicators of impairment in the current year.

Property, plant and equipment

Property, plant and equipment are a material part of the company's business. Therefore the estimates and assumptions made to determine their carrying value and related depreciation are critical to the company's financial position and performance.

Estimation of useful economic life

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the profit and loss account. The useful lives and residual values of the company's assets are determined by management at the time the asset is acquired and is based on the shorter of technical life, economic life and contractual rights. This is then reviewed annually for appropriateness and extended to the extent that the contractual rights allow it to be extended if considered appropriate. See note 12 for the carrying amount of property plant and equipment and note 1.6 of the accounting policies for the useful economic lives for each class of assets.

3 Critical accounting estimates and judgements (Continued)

Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value includes, where necessary, provisions for slow moving and obsolete stocks. Calculation of these provisions requires judgements to be made relating to forecast demand, the economic environment and inventory loss trends.

Impairment of financial assets

Management make estimates regarding expected future credit losses on the company's financial assets. Financial receivables relate primarily to trade receivables and amounts owed by group undertakings. The estimates and assumptions used to determine the level of expected credit losses are reviewed periodically to determine if there is a significant increase in default risk.

Decommissioning provision

Amounts used in recording a provision for decommissioning of wind farms are estimates based on current legal and constructive requirements. Due to changes in relation to these items, the future actual cash outflows in relation to decommissioning are likely to differ in practice. To reflect the effects due to changes in legislation, requirements and technology and price levels, the carrying amounts of decommissioning provisions are reviewed on a regular basis. The effects of changes in estimates do not give rise to prior year adjustments and are dealt with prospectively over the estimated remaining useful lives for each wind farm. While the company uses its best estimates and judgement, actual results could differ from these estimates. In estimating decommissioning provisions, the company applied an annual average inflation rate of 2.00% (2020: 2.00%) and an average annual discount rate of 1.00% (2020: 0.25%). The company estimates that an increase in the inflation rate of 25 basis points would lead to an increase in the decommissioning provision, and corresponding increase in the wind farm cost, of £997K.

IFRS 16, Leases

Recorded within property, plant and equipment the company has recognised right-of-use assets in accordance with IFRS 16, Leases. There are a number of factors that have an impact on the asset values recorded and these are dependent on the judgement of management. In particular where the estimated useful life of the right-of-use asset is less than the lease term this will determine the time period over which the lease rental payments are recognised and whether any early termination fees are incurred. The estimated useful life of the related wind farm asset is a key component of this assessment. Also, the calculation of the Incremental Borrowing Rate (IBR) applied to discount the future lease rental payments takes into account matters of judgement such as the cost of borrowing for the company, the length of the contract having assessed early termination options and the risk involved. See note 17 and note 21 for further details on lease liabilities recognised and note 12 for the carrying amount of right of use asset.

4 Operating profit

	2021	2020 as restated
	£000	£000
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(51)	52
Depreciation of property, plant and equipment (included within cost of sales)	11,278	11,388
Amortisation of intangible assets (included within cost of sales)	67	67
Cost of inventories recognised as an expense	484	469

5 Auditors' remuneration

	2021	2020
Fees payable to the company's auditors and associates:	£000	£000
For audit services		
Audit of the financial statements of the company	40	47

The audit fees are borne by another group company and not recharged.

6 Employees

The company has no employees for the year under review (2020: none).

7 Directors' remuneration

The directors did not receive any emoluments in respect of their services to the company (2020: £nil). Due to the complexity of the company structure in the UK and how the directors spend their time, directors' emoluments have not been specifically allocated to the company and have been paid out of another related entity, RWE Renewables Management UK Limited.

8 Finance costs

	2021	2020 as restated
	£000	£000
Interest on financial liabilities measured at amortised cost:		
Interest payable to group undertakings	118	296
Interest on other financial liabilities:		
Interest on lease liabilities	110	120
Total interest expense	228	416
Other finance costs:		
Unwinding of discount on provisions	77	281
Total finance costs	305	697

9 Tax on profit/(loss)

	2021	2020 as restated
	£000	£000
Current tax		
UK corporation tax on profits for the current year	3,419	4,278
Adjustments in respect of prior periods	-	(4)
Total UK current tax	3,419	4,274

9 Tax on profit/(loss) **(Continued)**

	2021	2020 as restated
Deferred tax		
Origination and reversal of temporary differences	(1,738)	(617)
Changes in tax rates	4,586	1,712
Adjustment in respect of prior periods	-	367
	2,848	1,462
Total tax charge	6,267	5,736

The tax charge for the year is higher than the standard rate of corporation tax in the UK (2020: higher than the standard rate of corporation tax in the UK) of 19.00% (2020: 19.00%).

The charge for the year can be reconciled to the profit per the statement of comprehensive income as follows:

	2021 £000	2020 as restated £000
Profit before taxation	7,499	17,054
Expected tax charge based on a corporation tax rate of 19.00% (2020: 19.00%)	1,425	3,240
Effect of expenses not deductible in determining taxable profit	256	348
Current tax adjustments in respect of prior years	-	(4)
Effect of change in UK corporation tax rate	4,586	1,712
Deferred tax adjustments in respect of prior years	-	367
Difference between current and deferred tax rates	-	73
Taxation charge for the year	6,267	5,736

Factors that may affect future tax charges:

On 3 March 2021, the UK Government announced that the main rate of corporation tax would increase from 19.00% to 25.00% with effect from 1 April 2023. This change was substantively enacted on 24 May 2021 and therefore the deferred tax has been measured at 25.00%.

Group relief tax disclosure:

The group includes a number of companies, including the parent company, which are part of a tax group for certain aspects of the tax legislation. One of these aspects relates to group relief whereby current tax liabilities can be offset by current tax losses arising in other companies within the same tax group. Payments for group relief are included within the current tax disclosures.

RWE Renewables UK Robin Rigg West Limited's group relief charge for the year is £3,419K (2020: £nil).

10 Dividends

Amounts recognised as distributions:	2021 per share £000	2020 per share £000	2021 Total £000	2020 Total £000
Ordinary shares				
Interim dividend paid	30,000	-	60,000	-

11 Intangible assets

	Development costs £000
Cost	
At 31 December 2020	1,585
At 31 December 2021	1,585
Amortisation and impairment	
At 31 December 2020	691
Charge for the year	67
At 31 December 2021	758
Carrying amount	
At 31 December 2021	827
At 31 December 2020	894

12 Property, plant and equipment

	Vessels £000	Wind farm £000	Decommission asset £000	Total £000
Cost				
As restated at 31 December 2020	1,341	200,735	26,489	228,565
Additions	650	751	-	1,401
Disposals	(19)	-	(446)	(465)
At 31 December 2021	1,972	201,486	26,043	229,501
Accumulated depreciation and impairment				
As restated at 31 December 2020	621	85,199	8,543	94,363
Charge for the year	650	9,573	1,055	11,278
Eliminated on disposal	(19)	-	-	(19)
At 31 December 2021	1,252	94,772	9,598	105,622

12 Property, plant and equipment (Continued)

	Vessels	Wind farm	Decommission asset	Total
	£000	**£000**	**£000**	**£000**
Carrying amount				
At 31 December 2021	720	106,714	16,445	123,879
As restated at 31 December 2020	720	115,536	17,946	134,202

Disposals of the decommissioning asset for £446K represents a change in estimate of the costs to decommissioning the wind farm at the end of its useful economic life.

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	**2021**	**2020 as restated**
	£000	**£000**
Net values		
Vessels	720	720
Wind farm	3,055	2,934
	3,775	3,654
Additions	970	2,557
Depreciation charge for the year		
Vessels	650	630
Wind farm	199	196
	849	826

13 Inventories

	2021	**2020**
	£000	**£000**
Raw materials	394	761

Inventories are related to spare parts to be used in the operation and maintenance of the wind farm.

14 Trade and other receivables

	2021	2020
		as restated
	£000	£000
Trade receivables	3	-
VAT recoverable	953	819
Amount owed by parent undertaking	28,903	15,388
Amounts owed by fellow group undertakings	1,882	8,419
Prepayments and accrued income	588	595
	32,329	25,221

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment A provision for the impairment of receivables is made when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables including contract assets. Expected credit losses on related party receivables are considered insignificant to the company. Amount owed by parent undertaking includes £6,515k (2020: £6,235k) accrued in respect of contract assets for the sale of Renewables Obligation Certificates ('ROC'). Expected credit losses on ROCs receivables are considered insignificant to the company.

Amounts owed by RWE Renewables UK Limited are unsecured, interest free and repayable on demand.

15 Borrowings

	2021	2020
	£000	£000
Borrowings held at amortised cost:		
Loans from ultimate parent undertaking	76,232	26,935

Included in loans from the parent undertaking is a £76,232K (2020: £26,935K) loan from RWE AG (2020: RWE Renewables UK Limited) upon which interest is charged at the monthly EONIA average rate plus 50 basis points (from 1 January 2022 at the monthly SONIA average rate plus 50 basis points). On 1 July 2021 the loan agreements in place with the immediate parent undertaking, RWE Renewables UK Limited, were replaced with loan agreements with the ultimate parent undertaking, RWE AG.

16 Trade and other payables

	2021	2020
	£000	£000
Trade payables	474	1,143
Amounts owed to fellow group undertakings	3,995	1,324
Accruals	1,480	1,522
Other payables	-	1
	5,949	3,990

16 Trade and other payables (Continued)

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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

17 Lease liabilities

	2021	2020 as restated
Maturity analysis	**£000**	**£000**
Within one year	957	947
In two to five years	1,205	1,094
In over five years	2,728	2,722
Total undiscounted liabilities	4,890	4,763
Future finance charges and other adjustments	(853)	(874)
Lease liabilities in the financial statements	4,037	3,889

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2021	2020 as restated
	£000	**£000**
Current liabilities	953	840
Non-current liabilities	3,084	3,049
	4,037	3,889

	2021	2020 as restated
Amounts recognised in profit or loss include the following:	**£000**	**£000**
Interest on lease liabilities	110	120

Other leasing information is included in note 21.

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting year.

	Accelerated capital allowances	Other timing differences	Total
	£000	£000	£000
Deferred tax liability at 1 January 2020	14,813	(14)	14,799
Deferred tax movements in prior year			
Charge/(Credit) to profit or loss as restated	(264)	14	(250)
Effect of change in tax rate - profit or loss	1,712	-	1,712
Deferred tax liability as restated at 1 January 2021	16,261	-	16,261
Deferred tax movements in current year			
Charge/(credit) to profit or loss	(1,738)	-	(1,738)
Effect of change in tax rate - profit or loss	4,586	-	4,586
Deferred tax liability at 31 December 2021	19,109	-	19,109

All items of deferred tax are expected to be recovered or settled more than 12 months after 31 December 2021.

19 Other provisions

	2021	2020 as restated
	£000	£000
Decommissioning	30,548	30,917

Movements on provisions:	Decommissioning
	£000
As restated at 1 January 2021	30,917
Unwinding of discount	77
Change in estimate	(446)
At 31 December 2021	30,548

The provision for the decommissioning of the wind farm represents the net present value of the company's best estimate of the costs to decommission the wind farm at the end of its useful life. The provision has been discounted to its present value at 1.00% (2020: 0.25%).

20 Share capital

	2021	2020	2021	2020
Ordinary share capital	**Number**	**Number**	**£000**	**£000**
Issued and fully paid				
Ordinary shares of £1 each	2	2	-	-

21 Other leasing information

Lessee

Expenses relating to lease payments that have not been recognised under IFRS 16 as right-of-use assets and lease liabilities are as follows:

	2021 £000	2020 £000
Expense relating to short-term leases	16	14
Expense relating to variable lease payments not included in lease liabilities	1,023	741

The expenses above are included in the cost of sales. Leases include leases of land on which the RWE Renewables UK Robin Rigg West Limited wind farm is situated. These lease contracts include a fixed element which is subject to annual indexation, and a variable element, which is calculated based on the volume of generated electricity. The latter is excluded from the lease liability and expensed in the period to which it relates

The total cash outflow for leases was £1,904k (2020: £1,535k).

Information relating to lease liabilities is included in note 17.

22 Events after the reporting date

On 11 October 2022, the UK Government introduced the new Energy Prices Bill, putting into law support for consumers with energy costs. The announcement suggests there will be a temporary unit price cap on revenues for renewable energy generators that will come into force at the start of 2023. This will be implemented through a new temporary Cost-Plus Revenue Limit in England and Wales, and in Scotland will be subject to liaison with the Scottish Government. A voluntary Contracts for Difference process for existing generators may also be introduced during 2023. The full details of the bill are subject to consultation and its financial effect is therefore unclear at this time.

23 Controlling party

The company's immediate parent is RWE Renewables UK Limited.

The ultimate parent company and controlling party is RWE AG, a company incorporated in Germany.

The most senior parent entity producing publicly available financial statements is RWE AG.

The parent of the smallest and largest group in which these financial statements are consolidated is RWE AG, incorporated in Germany. Copies of RWE AG's financial statements are available upon request from RWE AG, RWE Platz 1, 45141 Essen, Germany.