Steeple Renewables Project

Funding Statement

April 2025

Document Reference: EN010163/APP/4.2

Revision: 1

Planning Act 2008

Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009 – Regulation 5(2)(h)

Funding Statement

Document Properties		
Prepared By	The Steeple Renewables Project Consultant Team	
Version History		
Version	**Date**	**Version Status**
Application Version	April 2025	Rev 1

Table of Contents:

1. Introduction

1.1 Overview

1.1.1 Steeple Solar Farm Limited, a company incorporated in England and Wales with company number 13889253, ("**the Applicant**") is applying to the Secretary of State ("**SoS**") under section 37 of the Planning Act 2008 ("**PA 2008**") for a Development Consent Order ("**DCO**") to construct and operate the Steeple Renewables Project ("**the Proposed Development**"), a proposed solar photovoltaic electricity generating facility with associated battery energy storage system development. This Funding Statement ("**Statement**") has been prepared on behalf of the Applicant and forms part of the DCO application that has been submitted to the Secretary of State ("**SoS**"). It is informed by and should therefore be read alongside the other documents accompanying the DCO application, as set out in the Application Guide (Document Reference EN10163/APP/1.4).

1.1.2 A DCO is required for the Proposed Development because it falls within the definition of a Nationally Significant Infrastructure Project ("**NSIP**") under section 14(1)(a) and 15(1) and (2) of the PA 2008 as a generating station in England with a capacity of more than 50 megawatts ("**MW**").

1.1.3 This Statement has been produced because the DCO sought for the Proposed Development would authorise the compulsory acquisition of interests in land.

1.1.4 If the DCO were to be made by the SoS, it would be known as the Steeple Renewables Project Order ("**the Order**").

1.2 The Proposed Development

1.2.1 The Proposed Development is in the administrative boundaries of Bassetlaw District Council and Nottinghamshire County Council and is south of the West Burton Power Station ("**the Site**").

1.2.2 The Proposed Development comprises the construction and operation of a solar farm and associated infrastructure, including battery storage and connection to the grid.

1.2.3 The construction of the Proposed Development is expected to take up to two years, during which temporary construction compounds and temporary roadways to facilitate access to all parts of the Site will be erected.

1.2.4 Once operational, the Proposed Development will comprise the following infrastructure:

a) solar PV modules incorporating solar panels;
b) solar PV module mounting structure;
c) transformers;
d) inverters;
e) on-site cabling;
f) fencing and security measures;
g) access tracks;
h) an electrical compound comprising a battery storage facility; and
i) a substation, control building, and various equipment facilitating electrical connection to national grid infrastructure.

1.2.5 The Proposed Development will connect to the national grid at West Burton Power Station to the north of the Site.

1.2.6 A more detailed description of the Proposed Development is provided at Part 1 to Schedule 1 of the draft DCO (Document Reference EN10163/APP/3.1) and Chapter 4 of the Environmental Statement Volume 6 (Document Reference EN10163/APP/6.2.4)

1.2.7 A glossary of defined terms and abbreviations used across the application documentation is provided in Chapter 19 of the Environmental Statement Volume 6 (Document Reference EN10163/APP/6.2.19).

1.3 The Purpose and Structure of this Statement

1.3.1 As outlined above, this Funding Statement is required because the Order sought for the Proposed Development would authorise the compulsory acquisition of interests in land. The Applicant is therefore required, under Regulation 5(2)(h) of the Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009 ("**the APFP Regulations**"), to provide a statement indicating how the Order containing compulsory acquisition powers is proposed to be funded.

1.3.2 This Statement has therefore been produced pursuant to Regulation 5(2)(h) of the APFP Regulations and in accordance with the guidance issued by the Department for Communities and Local Government (now the Department for Levelling Up, Housing and Communities): *Planning Act 2008: Application form guidance* (June 2013) and *Planning Act 2008: Guidance related to procedures for the compulsory acquisition of land* (September 2013).

1.3.3 This Statement is structured in three main sections which explain:

a) the Applicant's background (Section 2);

b) how the Proposed Development is proposed to be funded (Section 3); and

c) how the compulsory land acquisition necessary for the Proposed Development is proposed to be funded (Section 4).

2. Applicant's Background

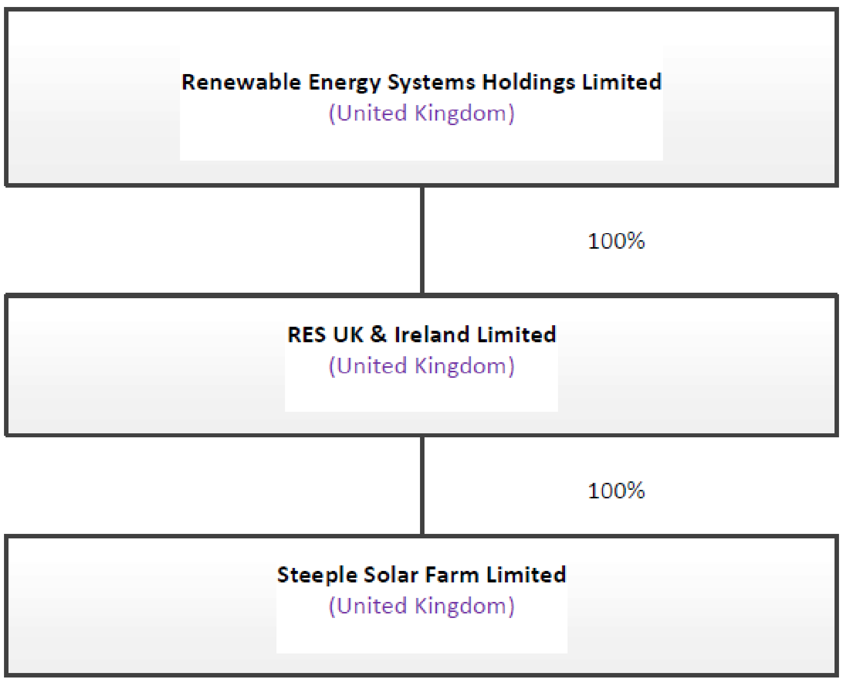
2.1 Applicant's Corporate Structure

2.1.1 The Applicant is a wholly owned subsidiary of RES UK & Ireland Limited, a company incorporated in England and Wales with company number 04913493. That company is in turn a wholly owned subsidiary of Renewable Energy Systems Holdings Limited, a company incorporated in England and Wales with company number 04913497. Renewable Energy Systems Holdings Limited is ultimately owned by the McAlpine Family.

2.1.2 The Renewable Energy Systems Holdings Limited group of companies (the "**RES Group**") is the world's largest independent renewable energy developer and is active in onshore and offshore wind, solar, energy storage, green hydrogen, transmission and distribution. As an industry innovator for over 40 years, the RES Group have delivered more than 283GW of renewable energy projects across the globe and support an operational asset portfolio exceeding 4312GW worldwide for a large client base.

2.1.3 For reference, the Applicant's corporate structure is illustrated below:

RES GROUP STRUCTURE CHART (EXTRACT)



2.2 Applicant's Financial Standing

2.2.1 The development services for the Proposed Development have been provided by Renewable Energy Systems Limited, a group company within the RES Group, under a Development Services Agreement between Renewable Energy Systems Limited and the Applicant. Renewable Energy Systems Limited has successfully developed numerous wind, solar and energy projects across the UK and Ireland. The funding for these projects has come from internally generated cash through development project sales within the RES Group.

2.2.2 The Applicant has filed dormant financial statements for the year ended 28 February 2024. In order to assess the financial standing of the Applicant, the relevant financial information has been provided for Renewable Energy Systems Holdings Limited, as the common parent company of the Applicant and Renewable Energy Systems Limited. The Audited Financial Statements for the year ended 31 October 2023 for Renewable Energy Systems Holdings Limited are provided in Appendix 1, and show a total Net Assets value of £557m.

2.2.3 The financial statements for the year ended 31 October 2024 for Renewable Energy Systems Holdings Limited are still being audited but can be provided when they are signed. The latest draft shows Net Assets of £517 million.

3. Funding for the Proposed Development

3.1 Project Cost

3.1.1 The estimated cost of the Proposed Development is £380 million. This cost estimate was prepared by the Applicant and is based on known project costs, experience of developing UK solar farms and market knowledge.

3.1.2 This cost estimate covers all the Proposed Development's development and delivery costs, including:

a) project development including securing land, grid and development consent;

b) site investigation and preparation;

c) construction costs including capital expenditure, installation and commissioning;

d) grid connection; and

e) land acquisition (including compensation payable in respect of any compulsory purchase).

3.1.3 This estimate also includes an allowance for contingent costs and inflation.

3.2 Funding for the Proposed Development

3.2.1 The intention is for the Proposed Development to be funded from a combination of balance sheet, equity and debt finance. To facilitate the late development, construction and delivery of the Proposed Development, the Applicant will likely seek an investment partner. The exact combination of external debt and equity financing will be dependent upon market conditions at the time and investment partner preferences.

3.2.2 The pre-application costs including securing of the application site, securing of grid contract and preparation of the DCO application has been fully funded from a loan from the Applicant's parent company, RES UK & Ireland Limited.

3.2.3 As explained above, the funding for the Proposed Development following the making of the Order will likely be sourced from a combination of shareholder equity and debt finance. The Applicant is likely to seek an investment partner as part of an investment strategy to facilitate delivery of the Proposed Development.

3.2.4 With the support of the Applicant's legal and financial advisors, the Applicant will consult with a variety of financial institutions and advisors who have extensive experience of financing major capital projects, including those with existing relationships with the RES Group.

3.2.5 The Applicant has assessed the commercial viability of the Proposed Development and is confident based on prevailing market conditions that the Proposed Development will be commercially viable if the Order is granted and it will be able to obtain sufficient funding for the Proposed Development.

4. Funding for Land Acquisition and Blight

4.1 Land Acquisition

4.1.1 The current position regarding negotiations with landowners and those with interests in the land affected by the DCO is summarised in the Statement of Reasons (Document Reference EN10163/APP/4.1).

4.1.2 The Applicant is seeking to secure all of the land and rights required for the Proposed Development through voluntary negotiation but will utilise powers of compulsory acquisition available in the DCO should that prove necessary.

4.2 Funding for land acquisition

4.2.1 The current cost estimate of the Proposed Development (see paragraph 3.1 above) includes an amount to cover the compensation payable in respect of any compulsory acquisition included in the Order.

4.2.2 Should any claims for blight arise as a consequence of the Application, the Applicant has access to sufficient funds to meet the cost of acquiring these interests at whatever stage they are served.

Appendix 1

The Applicant's 2023 Financial Statement

Renewable Energy Systems Holdings Limited

Annual Report and Financial Statements

31 October 2023

Registered in England and Wales
04913497

Renewable Energy Systems Holdings Limited
Annual Report and Financial Statements for the year ended 31 October 2023
Contents

Renewable Energy Systems Holdings Limited
Company information

Directors

[redacted] BA (Hons) MSc	
[redacted] MSc MBA	
[redacted] BA (Hons) FCA	(resigned 30 April 2024)
[redacted] BSc, MSc	(appointed 30 April 2024)
[redacted] BS MBA	(resigned 14 March 2024)
[redacted] BSc (Hons)	
[redacted] BA (Hons) CIPD	(resigned 6 April 2023)
[redacted] BSc (Hons) Econ	
[redacted] BEng (Hons) CEng	(resigned 31 July 2023)
[redacted] BEng (Hons)	(appointed 19 April 2023)
[redacted] MA	(appointed 19 April 2023)

Company secretary

[redacted] BA (Hons) Solicitor

Independent auditor

Deloitte LLP

London, United Kingdom

Registered office

Beaufort Court

Egg Farm Lane

Kings Langley

Hertfordshire

WD4 8LR

Registered number

04913497

The Directors present their Strategic Report on Renewable Energy Systems Holdings Limited (the 'Company') and its subsidiaries ('RES' or the 'Group') for the year ended 31 October 2023.

Objectives, strategy, business model and future developments

RES’ vision is to create a future where everyone has access to affordable zero carbon energy. One of the principal ways in which RES plans to achieve this is through its mission to innovate to reduce cost, create value and deliver sustainable growth. Delivery of RES’ vision and mission is underpinned by its core values: Passion, Accountability, Collaboration and Excellence. These values define RES’ culture and enable its vision. The Directors actively promote the values, vision and culture and use them to create a motivational environment for all RES’ people.

RES’ operations are diversified across thirteen countries, three business streams (development, construction, and support services) and five technologies (wind, solar, battery energy storage, green hydrogen, and transmission). This is generally achieved by establishing local operations, overseen by local management and three divisional executive teams which report to the Group Executive Committee. RES continues to grow the number and scale of its renewable energy development portfolio by predominantly funding its activity through its own cash reserves and, on occasion, will also partner with other investors, where appropriate, to mitigate risk or gain strategic advantage.

RES continues to see increased opportunities in the renewable energy market following a growing consensus of the need to move to renewables to reduce global emissions. Government and corporate commitments to reduce greenhouse gas emissions in accordance with global agreements (such as COP 28 in Dubai), will require significant deployment of renewables and is a strong growth driver for the business.

The requirements for the management of renewable assets and operations and maintenance (O&M) activity will grow as the installed base of renewables increases. RES continues to focus on support services for renewable assets. It is growing its business by investing in technology and digital services offerings to maximise value to the owners of operational assets and through acquisitions to increase its market share. RES demonstrated its growth intentions in support services during the current year by acquiring Integral Management Future Renewables S.L (“IM Future”), a Spanish based O&M company and Anemo Analytics ApS (“Anemo Analytics”), a Danish technology company that supports technical asset management. See note 30 for further details of these acquisitions.

Furthermore, during the year, RES started the process of acquiring the renewable services division of Ingeteam Corporación S.A. that provides O&M services globally. This acquisition completed post year-end and increases RES’ market share and its support services business. Further disclosure of this acquisition has been made in note 37.

Financial overview

RES achieved revenue of £1,021.8 million (2022: £599.3 million (restated)). Profit from operations before income tax was £5.9 million (2022: £25.7 million loss (restated)). Profit after income tax was £3.4 million (2022: £25.2 million loss (restated)).

Revenue has primarily increased year-on-year due to US construction activity, where in the prior year anti-circumvention tariff uncertainties regarding importation of certain solar farm components from China and South-East Asia, reduced the volume of investment decisions in new-build solar farm capacity, with the consequential impact on RES’ pipeline of third party construction activity in the US. The increase in revenue has driven an increase in gross profit in the year. In the current year management reviewed and updated the Group's accounting policy for revenue recognition for its construction contracts that required a restatement to the comparative period balances and results in these financial statements. Management believes that this better reflects the overall transfer of control of benefits to the customer and will improve comparability with other similar entities. Further details of the updated policy and the impact of this change on the comparatives is detailed in note 2.6.2 and note 2.6.2a.

Financial overview (continued)

Development revenue has also increased mostly due to large development sales and earnouts relating to prior year sales from Canada, the United States and Australia.

The increase in profit after tax compared to the prior year was due to increased construction activity and finance income received in the year from liquid investments.

Net assets at 31 October 2023 were £557.4 million (2022: £587.9 million (restated)). Cash and cash equivalents at 31 October 2023 totalled £324.4 million (2022: £230.6 million), of which £5.3 million (2022: £4.5 million) is restricted. RES had cash and cash equivalents in excess of total borrowings at 31 October 2023 of £324.0 million compared to £230.5 million in 2022.

Cash generated during the year totalled £99.2 million (2022: £483.7 million absorbed). This was mostly a reflection of the realisation of deposits of £105.0 million, proceeds from bond redemptions of £68.8 million, less related party loans advanced of £79.6 million, a defined benefit pension contribution of £35.7 million and other cash generated by operations.

Tax strategy

RES' tax strategy is published on its website and outlines the policy and approach taken in conducting its tax affairs and managing its tax risk.

Strategic review

In addition to revenue and profit, RES monitors a number of non-financial Key Performance Indicators (KPIs).

At regional levels, management boards monitor additional non-financial KPIs including health and safety performance using Total Recordable Incident Rate, staff retention, customer relationships and project break even prices.

During the year RES sold development projects totalling 3,599 MW (2022: 978 MW) and constructed 1,274 MWs (2022: 667 MW). RES also provides support services to a 13 GW portfolio of operational assets, which has increased from 10 GW in 2022.

Principal risks

Health and Safety

RES faces a variety of risks to health and safety across each business stream. RES regards this risk with high importance and has a dedicated health and safety team who are responsible for mitigating and monitoring risks and ensuring compliance with RES' policies and local regulations, with the ultimate aim of zero harm.

Contracting risks

RES is exposed to risks in its construction and support services activities, that could impact on the delivery to customers on time, on budget and to the required specification. Rigorous policies and procedures are in place for mobilisation, monitoring and management of contract performance and RES maintains a focus on identifying and reporting risks at every stage of the contract. Regular contract reviews are undertaken at several levels within the business as part of its Risk Management procedures.

Changes in long-term electricity prices

Development project sales are impacted by changes in the long term forecasted electricity price which have been significantly impacted by the war on Ukraine and energy security in Europe. This risk is monitored by RES using appropriate project and risk reporting at project and Board level, with appropriate actions taken to minimise risks and by diversifying those activities by both geographical location and technology.

Principal risks (continued)

Energy companies accelerating into sector

The transition to net zero carbon emissions will attract larger competitors and new entrants, who will be able to benefit from procurement scale and balance sheet strength. Recently we have seen large oil and gas majors significantly increasing their investment in the sector. RES focuses on its strengths including flexibility, expertise and technical and engineering innovation which are considered industry leading. In addition, RES' own capital raising exercise has increased its financial resilience.

Local planning processes

The unpredictable duration of local permitting processes necessary to develop sites is a risk to RES. This includes grid availability and timing for development projects. This risk is mitigated by the geographical diversification of RES and through having a sufficient pipeline of development projects and close engagement with local stakeholders to ensure any concerns are appropriately addressed. Permitting is recognised as a key barrier to deployment of renewables, with industry bodies and governments working on streamlining processes to meet decarbonisation commitments.

Financial risk management objectives and policies

This has been considered within note 32 to the consolidated financial statements.

Section 172 statement

RES has applied the Wates Corporate Governance Principles for Large Private Companies which complies with the Section 172 statement. Therefore, additional Corporate Governance disclosures relating to Section 172 have been included within the Directors' Report.

Non-financial and sustainability information statement

RES engaged external climate risk experts to align and support climate related disclosure. The climate-related financial disclosures made by RES comply with the requirements of the Companies Act 2006 as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

Whilst RES has ensured this is a complete report containing all material climate-related financial disclosures required, RES will continue to include further information on its climate risk and opportunity identification process and outputs within RES' FY2023 "Power for Good" Sustainability Report, which will also be published on RES' website later this year.

Governance

The Chief Executive Officer is the assigned owner of climate-related risks and opportunities and they are integrated into the overall risk management process in the Group as outlined in the "Integrating Climate Risk Management" section (see page 6) and the "Opportunities and Risk" section (page 12). In addition to this structure, a TCFD Steering Committee meets at least annually to act as a decision-making body to approve and review identified climate opportunities and risks and, associated mitigation strategies prior to escalation to the governance parties also outlined in "Integrating Climate Risk Management" section of the report (see page 6) and the "Opportunities and Risk" section (page 12).

Risk Identification and Management Process

Climate-related risks and opportunities were identified by external climate risk experts together with internal expertise across RES' activities and regions, using relevant sector publications, industry disclosures and RES' pre-existing climate-related risk and opportunity assessment.

Non-financial and sustainability information statement (continued)

Integrating Climate Risk Management

RES' TCFD Steering Committee, who meet at least annually, shortlist the key climate-related risks and opportunities which are factored into and considered as part of detailing the climate-related and other risks that are included within the Group's Risk Reports, which are presented to and reviewed by RES' Group Executive committee quarterly. Further deep dive activities are then undertaken for identified risks identified through the TCFD Steering Committee meetings.

Our group strategy and the frameworks and structures described here enable the continued effective identification, assessment and overall management of climate-related risks and opportunities.

Principal Climate Risks and Lenses

As a renewable energy company, RES is deeply aware of the implications of climate change, from evolving policies to new low carbon technologies and enhanced physical risks. For over 40 years, addressing climate-related opportunities and risks has been, and continues to be, integral to how RES conducts business and is embedded in its vision and strategy.

To categorise identified climate-related risks and opportunities, RES uses time horizons (as shown in the table below) that are specific to the business' risks and assets, ensuring alignment between RES' budget and business planning horizons, value stream and operational horizons as well as climate-related risk planning horizons. RES uses these time horizons to understand the high-level impact of identified risks and opportunities.

Time Horizons		
Rating	**Horizon from Present**	**Years**
Short-Term	0-2 years	2023 – 2025
Medium-Term	2-7 years	2025 – 2032
Long-Term	7+ years	2032 +

Non-financial and sustainability information statement (continued)
Climate-related risks and opportunities include extreme weather events and chronic changes to weather patterns increasing demand for operations and maintenance activity, delaying construction projects, increasing the cost of insurance premiums, and reducing the availability of insurance products. Additionally, the energy transition will create a high demand for renewable energy but with potential associated risks around a supply-demand imbalance of key materials and increasing grid connections queues and costs delaying deployment. The key risks and opportunities identified are outlined below:

Identified climate-related risks and opportunities		
Type	**Category**	**Description**
Physical Risks	**Disruption and Physical Damage**	**Project Delays** Extreme weather events and chronic changes to weather patterns delaying project completion dates. **Project Damage** Extreme weather events and chronic changes to weather patterns increasing costs through on-site asset damage.
	Market	**Insurance** Extreme weather events and chronic changes to weather patterns increasing cost of insurance premiums and availability of insurance products. **Competition** Extreme weather events and chronic changes in weather patterns impacting revenue through reduced site viability.
Transition Risks	**Market**	**Supply Chain** Low-carbon transition affecting the supply-demand balance of key materials, increasing project costs. **Competition** Larger competitors entering the renewable market could impact RES' market share and revenue.
	Technology	**Grid** Grid connection queues increasing the length of time required to connect renewable projects to the grid and delaying ability to sell development projects.
	Reputational	**Public Perception** Maintaining our social licence to develop, construct and operate projects within the communities who host projects as the urgency and number of renewable projects increases.

Non-financial and sustainability information statement (continued)

Identified climate-related risks and opportunities (continued)		
Type	**Category**	**Description**
Transition Risks	**Policy and Legal**	**Reporting** Increased costs from complying with new reporting obligations. **Carbon Pricing** Carbon pricing mechanisms increasing costs associated with greenhouse gas emissions in operations. **Incentives** Reduction in renewable-energy incentives and policies leading to increased costs. **Regulation** Changes to regulation and industry standards affecting O&M, construction and development could lead to lost revenue through delays and additional costs.
Opportunities	**Products/ Services**	**Project Damage** Greater opportunities for O&M services as an increasing number of assets are damaged from extreme weather events and chronic changes to weather patterns.
	Markets	**Clean energy demand** Increased demand for clean energy creating revenue opportunities across all our activities as there is greater deployment of renewable assets.
	Energy Source	**Carbon footprint** An internal shift to lower-carbon alternatives could reduce emissions and long-term costs.
	Resilience	**Technology** New or emerging technologies will enhance the business and increase revenue.

Risk Impact Levels and Climate-related Scenario Analysis

RES do not consider these identified risks and opportunities to be significant or Principal Trading Risks. Due to this consideration, the potential impact of the identified risks and opportunities and related climate scenario analysis are not included in this report as the Director's do not consider these to be required for a detailed understanding of the business. Further information relating to the identified risks and opportunities and climate scenario analysis will be provided in RES' FY2023 annual Sustainability Report, published on the Company website.

Metrics and Targets

Climate-related targets and metrics are also established where appropriate, for example, RES' science based net zero emissions reduction targets are listed in the table below. The baseline year for our reduction targets is FY2022 and is in relation to our global operating business, the value for our total group emissions is reported within our annual Sustainability Report. We will ensure regular reviews in order to update our baseline calculations in accordance with the Science Based Target initiatives guidance when required. These targets have been validated by the Science Based Target initiative and further information will be published within our FY2023 Sustainability Report.

RES' Science Based Targets		
	Near-Term Targets – By 2030	**Long-Term Targets – By 2050**
Scope 1 & 2	Absolute reductions in our Scope 1&2 emissions by 42% (tCO2e).	Absolute reductions in our Scope 1&2 emissions by 90% (tCO2e)
Scope 3	Reducing the carbon intensity of our Scope 3 emissions by 52% (tCO2e/MWs constructed)	Reducing the carbon intensity of our Scope 3 emissions by 97% (tCO2e/MWs constructed)
		All reductions will be recorded against our baseline year of FY2022

In addition other relevant metrics relate to our Streamlined Energy and Carbon Reporting data for our UK&I business activities which is presented on pages (14 to 16) of this report.

Approved by the Board and signed on its behalf by:

[redacted]

Chief Financial Officer
03 July 2024

The Directors present their report and audited financial statements for the year ended 31 October 2023 for the Renewable Energy Systems Holdings Limited Group and its subsidiaries (‘RES’ or the 'Group') and Renewable Energy Systems Holdings Limited Company (the 'Company').

The consolidated financial statements for RES have been prepared under International Financial Reporting Standards (IFRS) for the year ended 31 October 2023. The Company financial statements have been prepared under FRS 101 for the year ended 31 October 2023.

The Company has chosen, in accordance with section 414C (11) of Companies Act 2006, to include such matters of strategic importance to the Company in the Strategic Report which otherwise would be required to be disclosed in the Directors' report. These include principal trading risks, financial risk management and an overview of future developments in the Group. Also included in the Strategic Report is RES' strategy, values and culture specified in the 'Objectives, Strategy and Business Model' section and new disclosures in line with Streamlined Energy and Carbon Reporting (SECR).

Principal activities

The principal activities of RES are the development, construction and support services for renewable energy projects and infrastructure. RES has operations in Europe, the Americas and Australia.

Dividends

In the year the Directors declared and paid a dividend of £1,700,000 (2022: £80,571,800). A dividend of £6,320,000 was declared and paid post year-end.

Directors

The current Directors who have held office in the year and up to the date of signing are as follows:

[redacted] **BA (Hons) MSc**

[redacted] is RES’ Chair. [redacted] has a 25 year history with RES in a range of executive, management and leadership positions. He has worked extensively throughout the Group.

[redacted] has a BA in Economic and Social History and an MSc in Renewable Energy and Sustainable Development from the Institute of Energy and Sustainable Development (IESD). [redacted] also has IOSH Safety for Executive & Directors certification.

[redacted] **MSc, MBA**

[redacted] joined RES in November 2021 as Group Chief Executive Officer.

[redacted] joined RES from Vestas, where [redacted] held positions as President of South Europe, Latin America, MENA and most recently as President for North American operations which included sales, construction and O&M services. Prior to this [redacted] was Executive Vice President of Global Power Plants for SunPower, with operations spanning development, sales, construction, O&M and operations. [redacted] has worked for the global renewables industry for over 25 years.

[redacted] **BSc, MSc (appointed 30 April 2024)**

[redacted] was appointed Chief Financial Officer of RES in April 2024 and has overall responsibility for finance, strategy, procurement, information technology and tax. [redacted] joins RES from Telco InfraCo (TDC NET), where [redacted] served as Executive Vice President and CFO. Before [redacted] role at TDC NET, [redacted] spent over 15 years with Vestas in various senior global roles, most recently in the position of Vestas Senior Vice President and CFO for Southern Europe, MENA and LATAM. [redacted] holds a BSc in Economics & Business Administration and an MSc in Management Accounting and Information Technology from Aalborg University.

Renewable Energy Systems Holdings Limited
Directors' report
For the year ended 31 October 2023

Directors (continued)

[redacted] BSc (Hons)
[redacted] is Chairman of RES Americas. [redacted] has a strong focus on strategy, commerce, key account management, business development and health & safety. At RES [redacted] has worked across disciplines including development, construction, commercial, strategy, finance and business development, giving [redacted] a deep understanding of the company. [redacted] pre-RES experience also includes construction management.

[redacted] BSc (Hons) Econ
[redacted] is the CEO EMEA Development & Construction. With an extensive international exposure and a multicultural mindset, having operated in five continents, [redacted] has more than 25 years of experience in leading multinational businesses, major M&A transactions and infrastructure projects. Prior to RES, [redacted] covered the Corporate Development Director role for Albioma and for Eoxis/Platina Partners. [redacted] has also served on the board of WindEurope and is a current member of the TRIG Advisory Committee.

[redacted] BEng (Hons) (appointed April 2023)
[redacted] joined RES in March 2023 as Chief People and Culture Officer. [redacted] has a chemical engineering and project management background and has worked in the energy, mining and financial services sectors. [redacted] was with Shell for 17 years, initially in project management roles but moved into various HR leadership positions from 2010, ultimately leading HR for one of Shell's biggest businesses. [redacted] then joined Johnson Matthey, initially in a Global HR Director role, and was then appointed as the Global Talent, Learning and Culture Director, before joining RES.

[redacted] MA (appointed April 2023)
[redacted] joined RES in October 2022 as Chief Communications & Marketing Officer, from Wood PLC, where [redacted] was Chief Marketing Officer. [redacted] has over 30 years' experience in senior leadership roles in energy and the built and natural environment. [redacted] holds overall responsibility for sustainability, marketing, internal and external communications, and government affairs. [redacted] holds an MBA from the Said Business School, University of Oxford, and an MA from the University of Glasgow.

Qualifying third-party and pension scheme indemnity provisions
RES has made no qualifying third party indemnity provisions for the benefit of its directors.

Director responsibilities
The Directors welcome the reporting requirements in relation to their duty under the Wates Corporate Governance Principles and section 172 of the Companies Act 2006 and confirm they have acted in a way, in good faith, that would most likely promote the success of RES for the benefit of its members as a whole, based on information available to them at the time. In doing so, directors have given regard to, amongst other matters, the:

• likely consequences of any decisions in the long-term;

• interest of of RES' people;

• need to foster RES' business relationships with suppliers, customers and others;

• impact of RES' operations on the community and environment;

• desirability of RES maintaining a reputation for high standards of business conduct; and

• need to act fairly as between members of RES.

RES' vision and values are a fundamental foundation which underpins the actions taken and decisions made not just by directors, but by all RES people. Further details as to how directors have discharged their responsibilities are shown below.

Purpose and leadership
The Directors are responsible for effective decision-making with independent oversight. The Group Executive Committee have developed a Stage Gate Process to provide governance over key decision making. This process provides transparency and sets delegated approval limits to promote greater efficiency in the decision making process.

The Stage Gate Process mirrors RES' values:

Passion - authorising great projects and transactions to help achieve the RES' Mission

Accountability - empowering people to ensure that decisions are made at the right level and not necessarily the highest level, with the right information, and involving the right expertise

Collaboration - engaging different parts and levels of the organisation with the objective of delivering value for customers and for RES

Excellence - RES strives for excellence by talking to customers, understanding what they need and surpassing their expectations

To support the decision-making process, RES has a Major Transactions Committee (MTC), a subset of the Group Executive Committee, which approves key transactions, acquisitions and material commitments within RES. The MTC is comprised of the Group Chief Executive Officer, Chief Financial Officer, Group General Counsel, Chief Risk & Supply Chain Officer and, depending on the business unit in which the opportunity arises, can also include representation from the regional Chief Executive Officers.

Prior to decisions being taken to MTC, RES also has a Risk & Investment Committee (RIC) which is comprised of a multi-disciplinary and diverse team, who analyse the approval request and make a written recommendation to the MTC, with any key risks or uncertainties clearly highlighted.

Opportunity and Risk
The Directors are responsible for promoting the long-term sustainable success of RES, identifying opportunities, and establishing oversight for the identification and mitigation of risks.

The Directors promote and oversee the long-term sustainable success of RES through the governance around key decisions with the established MTC described above and through five-year strategic forecasts prepared at business unit level and reviewed by the Group Executive Committee annually. The nature of the business also lends itself to sustainable success as the development pipeline requires investment several years in advance of when a sale is expected to be made. Therefore, the success of RES is made over a long-term period rather than through short-term gains.

The Board of Directors review the key risks to RES, described within the Strategic Report, through a Group Risk Report, which is updated by the assigned risk owners and presented to the Group Executive Committee quarterly. This process is managed by the Chief Risk & Supply Chain Officer. As well as reviewing and updating existing risks, RES also reviews its business and identifies any new risks that may have an impact on the business, which are then added to the Group Risk Report.

RES' key business risks are discussed within the principal trading risks section of the Strategic Report.

Board composition

In each country in which RES operates, there is a local management team. Depending on the value stream and location, each business unit is allocated one of three areas: Americas, EMEA (Europe and Australia Construction and Development), and Support Services. Each area has a CEO who is also a member of the Group Executive Committee. On a periodic basis, Group Executive Committee members attend each area’s board meetings to provide more oversight to country specific matters.

The Group Executive Committee report to the Shareholder Committee who provide independent governance, challenge and oversight.

Further information regarding the composition of the Board is disclosed within the Directors' report under the heading 'Directors'.

Remuneration

RES is committed to executive remuneration structures which are aligned to RES’ culture and values, promoting the long-term sustainable success of the business and the interest of the RES’ shareholders. RES’ policy is to provide appropriate and fair levels of remuneration at a level which attracts and retains the best talent. To ensure our people act in the best interest of RES and to motivate and retain the key senior talent, RES has a Long Term Incentive Plan, linked to the consolidated RES performance. RES’ Bonus Plan, a Short Term Incentive Plan which all employees are eligible for, is based on different elements, including local Business Unit performance, the consolidated RES performance, health and safety performance and personal performance. Remuneration changes and bonuses require the approval of the Remuneration Committee, which is comprised of members of the Group Executive Committee. The remuneration of the Group Executive Committee is approved by RES’ CEO and Chair utilising external benchmarks where required.

Stakeholder relationships and engagement

For over 40 years, RES has been leading efforts to create a future where everyone has access to affordable zero carbon energy. RES has developed and/or constructed 26 GW of green energy which are expected to result in avoided emissions of more than 24 million tonnes of CO_2 per annum, the equivalent of powering all of the electric vehicles in Europe and the US for a year.

Sustainability lies at the core of RES' business activities and values. RES continues to build a culture that allows it to integrate sustainability into every part of its day-to-day operations and beyond and have a positive impact on the lives of its people, and treat fairly the stakeholders and communities close to its projects.

RES' sustainability agenda is to power positive change by ensuring that its operations, products and services make a net positive contribution to society and the environment. This agenda is supported by principles in three core areas:

• Business - position RES for sustainable growth by combining long-term strategic thinking with focused short-term action, to create value for all our stakeholders.

• Environment - manage RES' activities to maximise the environmental benefits of RES' projects and business while operating in compliance or exceeding environmental regulations.

• Social - provide a safe and healthy work environment, which is diverse and inclusive, encourages development of our people and creates opportunities to positively contribute to our stakeholders and the wider community.

For more information, please refer to our sustainability report – the Power for Good report, which can be found on RES' website.

Stakeholder relationships and engagement (continued)

A core activity of RES and a good example of long-term planning with consideration for the stakeholders is the investment in RES' development pipeline. Once a development site for a wind farm, solar farm, hydrogen or battery storage facility has been approved internally for investment, a wide variety of stakeholders are consulted prior to construction. Key stakeholders include landowners, local communities, offtakers, local councils and planning committees, power infrastructure stakeholders and project partners. RES works with the local community to provide local employment. RES assesses the impact to the local natural environment of any development and works with specialists to minimise any net detrimental impact when considering the construction of one of RES' renewable energy assets. Without the support of the local community, the development is unlikely to be a success therefore consulting with relevant stakeholders is essential.

Employees

RES' employees are critical to its current and future success. Nothing is more important to RES than making sure that everyone goes home safe and healthy every day. As a key strategic objective, RES' "North Star" is zero harm with the goal of targeting world-class safety performance.

RES believes that diverse, talented and creative teams add value to the business by enabling it to respond positively and flexibly to changes in competitive domestic and international markets. The Directors continue to promote and support diversity and inclusion, valuing the talent of all our staff and ensuring that we can compete in attracting, retaining and developing high calibre employees with wide-ranging experience and abilities.

A key tool is the creation of the "RESpect" initiative, which is RES' commitment to embrace diversity and create an inclusive culture that is fair to all. As an integral part of this, RES are proud to support five employee-led Affinity Networks covering gender, race, disability, age, and sexual orientation and gender identity. These are groups of people from across RES united in their passion for making our workplace more inclusive. They help build a common understanding of the different challenges and barriers that under-represented groups may experience and work to address these, powering change for RES employees and wider society.

Information affecting RES' employees is communicated using a combination of methods including self-service intranet, email, team meetings and individual consultation. RES performs "pulse surveys" to receive feedback from employees on key issues which may be impacting them. A RES-wide bonus scheme is in operation to enable employees to share in the success of RES and to recognise their efforts in contributing to that success.

Information affecting the performance of RES is provided to employees through quarterly "town hall" updates in each region and bi-annual performance updates given by the Group Executive team.

Employment of disabled persons

RES acts in accordance with its Diversity and Inclusion policy which specifies that employees with disabilities (including those who have become disabled whilst in the RES' employment) will receive fair treatment and be considered according to their ability to do the job, following reasonable adjustments where appropriate. Decisions on recruitment, selection, training, promotion and career management are based on objective and job-related criteria.

Energy and carbon report

As a renewable energy company, RES is deeply aware of the implications of climate change, from evolving policies to new low carbon technologies and enhanced physical risks. For over 40 years, addressing climate-related opportunities and risks has been, and continues to be, integral to how RES conducts business and is embedded in its vision and company strategy.

RES developed and/or constructed 26 GW of green energy which are expected to result in avoided emissions of more than 24 million tonnes of CO_2 per annum.

Energy and carbon report (continued)
RES' definition of net zero emissions means that its business activity will not cause or result in the net release of greenhouse gases into the atmosphere. RES recognises the urgency of the climate crisis and is on a journey to net zero. RES has aligned to the Science Based Target initiative. This initiative champions the adoption of “science-based” greenhouse gas emission reduction targets in-line with what the latest climate science says is necessary to meet the goals of the Paris Agreement: to limit global warming to well-below 2°C above pre-industrial levels and pursue limiting warming to 1.5°C. This net zero strategy is strongly aligned to RES' vision. Following the completion of our FY2023 financial year we have had RES’ near and long-term emissions reduction targets approved by the Science Based Target initiative.

For this financial year, we have collected our full scope emissions data from across all our regions according to the Greenhouse Gas Protocol, building upon our FY 2022 baseline year emission calculations. In FY 2024, we will continue to formulate our net zero roadmap to reduce our emissions in line with our approved Science Based Targets.

On our route to net zero, our priority is to focus on our short-term and long-term emissions reduction strategies. As a beyond value chain mitigation approach, we may still need carbon mitigation activities to remove unavoidable residual emissions in our operations alongside working towards value chain decarbonisation.

RES’ business activities in the UK & Ireland, France and Spain have ISO 14001 as an accredited environmental management system. RES has secured worldwide recognition for its asset management services with the ISO 55001 certification. This ISO 55001 certification reflects RES’ capabilities in developing an active approach to lifecycle asset management. RES’ business activities in Spain also have ISO 14064 as a verified standard for quantification and reporting of GHG emissions and removals.

Energy Use, Emissions and Intensity Metrics

Data reported for RES' business activities in the UK & Ireland (UK&I) is quoted below. The disclosed Scope 1 and 2 emissions below cover all emissions associated with stationary combustion, refrigerants and electricity purchased and used within 11 RES facilities within UK&I. All of RES’ business activities outside of the UK&I are excluded for the purpose of this report as they do not fall within the scope of Streamlined Energy and Carbon Reporting requirements.

	UK&I		
	FY2022	**FY2023**	**Units**
Scope 1 emissions*	95	79	tCO_2e
Scope 2 emissions (location-based approach)	87	86	tCO_2e
Scope 2 emissions (market-based approach)	26	7	tCO_2e
Energy use	967,977	902,202	kWh
Other Scope 3 emissions – employee business travel	573	1,041	tCO_2e
Total gross emissions based on the above**	694	1,127	tCO_2e
Total carbon intensity ratio (emissions/UK&I revenue)	5.1	12.1	tCO_2e/£m

** Includes emissions from stationary combustion and refrigerants located in RES UK&I facilities. RES do not have any owned fleet in UK&I and therefore all business travel related emissions are reported within Scope 3.*
*** includes market-based Scope 2 emissions*

Due to increased business activity in our offices and business travel post-pandemic we have a small increase in our emissions for FY2023 compared with the previous financial years. We have also improved the rigour and depth of our emissions data collection processes.

Energy and carbon report (continued)

Energy Efficiency Action

RES was an early adopter of energy efficiency action with its environmentally friendly head office building incorporating many examples of renewable energy generation, sustainable design techniques and energy efficiency. RES has a sustainable approach to office spaces and has objectives to source renewable power at our managed sites.

Within FY2023, we improved the depth and rigour of our emissions data associated with the purchased and used electricity within our UK&I facilities which resulted in the sharp reduction of our Scope 2 market based emissions which can be observed in the table above.

RES also recognises the importance of electric vehicles (EVs) in decarbonising transport emissions and has EV chargers at the head office and at a number of local offices, to support and encourage use of EVs by its people and visitors. RES offers a cycle to work scheme and EV car scheme to support low carbon commuting for our people.

Methodologies

RES defines its organisational boundary according to the financial control approach. The reporting period is aligned with our financial year. Data has been collected in accordance with the standards set out by the Greenhouse Gas Protocol. We have sought to reduce data uncertainties in our reported figures where practical.

Research and development

RES continues to invest in developing wind, solar, green hydrogen and battery energy storage markets globally, expensing development costs until there is sufficient certainty that the project is economically viable and construction is able to commence. RES has a leading position in the energy storage market globally and has invested resources in creating a platform ("RESolve") which controls the operational performance of the battery, optimising the service provided to clients. RES will continue to invest in this platform as the storage market is expected to grow due to its role as an enabling technology to facilitate greater deployment of intermittent wind and solar energy generation. RES continues to invest in several initiatives to enable continuing reductions in the levelised cost of renewable energy.

Events after the reporting period

The Directors are not aware of any material events after the reporting period other than those disclosed in note 37 of the financial statements. Further information regarding future developments and material events after the reporting period are disclosed in the Strategic Report.

Going concern

RES' business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report and Directors Report. The financial position of RES is set out in the consolidated statement of financial position and the accompanying notes to the financial statements. RES' cash and borrowings positions are set out in the Strategic Report and notes 22, 24 and 32 to the financial statements. A description of RES' financial risks are also set out in note 32 to the consolidated financial statements.

At the year end RES had cash of £324.4 million (2022: £230.6 million), liquid investments of £140.0 million (2022: £307.0 million) and borrowings of £0.4 million (2022: £0.1 million). RES has reinvested proceeds from the sale of its French development and construction business into a portfolio of bonds and other short term liquid investments in order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments. As a consequence, the Directors believe that RES will be able to continue to manage its business risks successfully. In the forthcoming year, RES intends to fund its growth using its existing resources and by project sales. In addition RES retains flexibility through divestment of liquid investments such as the bond portfolio.

Cash forecasts identifying the liquidity requirements of RES are produced regularly. These are reviewed by the Board to ensure that sufficient financial facilities are available for at least twelve months from the date of signing these financial statements. After making enquiries, the Directors have a reasonable expectation that the Company and RES have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

1) so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

2) the Director has 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as the company's auditor.

Approved by the Board and signed on its behalf by:

[redacted]

Chief Financial Officer
03 July 2024

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with United Kingdom adopted international accounting standards. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the IASB. The directors have chosen to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the parent company financial statements, the Directors are required to:

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

In preparing the group financial statements, International Accounting Standard 1 requires that Directors:

• properly select and apply accounting policies;
• present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
• provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
• make an assessment of the company's ability to continue as a going concern.

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

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

Responsibility statement

We confirm that to the best of our knowledge:

• the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;

• the strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and

• the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement was approved by the board of directors on 3rd July 2024 and is signed on its behalf by:

[redacted]

03 July 2024

Independent auditor's report to the members of Renewable Energy Systems Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of Renewable Energy Systems Holdings Limited (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31 October 2023 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated statement of financial position;
- the parent company balance sheet;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement;
- the related notes 1 to 37 to the consolidated financial statements; and
- the related notes 1 to 12 to the parent company financial statements.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law, United Kingdom adopted international accounting standards and IFRSs as issued by the IASB. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent auditor's report to the members of Renewable Energy Systems Holdings Limited

Report on the audit of the financial statements

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent 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.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Directors

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

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Report on the audit of the financial statements

Auditor's responsibilities for the audit of the financial statements

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

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included health and safety regulations, data protection laws and environmental legislation.

We discussed among the audit engagement team including relevant internal specialists such as tax and pensions regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas:

- Revenue recognition for construction contract accounting; and
- Revenue recognition for development sales.

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

Our specific procedures performed to address them are described below:

- Agreed contract value to signed agreements;
- Agreed cash receipts to bank statements;
- Assessed compliance with IFRS 15, in particular, the number of performance obligations assessed by management and whether revenue should be recognised over time rather than at a point in time;
- Held meetings with senior project personnel and management;
- Assessed forecast costs to complete on construction contracts;
- Evaluated management's forecasting accuracy; and
- Challenged management's judgements with respect to recoveries of variable claim income from customers and potential liquidated damages levied by the customer.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations and pensions regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:
- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and other regulatory authorities.

Independent auditor's report to the members of Renewable Energy Systems Holdings Limited

Report on the audit of the financial statements

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

We have nothing to report in respect of these matters.

Use of our report

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

[redacted]

For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
3 July 2024

Renewable Energy Systems Holdings Limited
Consolidated income statement
For the year ended 31 October 2023

	Notes	2023 £'000	Restated 2022 £'000
Revenue	4	**1,021,829**	**599,255**
Cost of sales	5	(919,984)	(579,440)
Gross profit		**101,845**	**19,815**
Administrative expenses	5	(115,523)	(75,484)
Other net gains	8	1,825	446
Group's share of after tax profit of joint ventures and associates accounted for using the equity method; and gain on disposal of joint ventures and associates		679	416
Operating loss		**(11,174)**	**(54,807)**
Other income	9	2,574	2,407
Finance cost excluding foreign exchange	10	(3,605)	(2,127)
Finance income excluding foreign exchange	10	17,664	8,423
Foreign exchange gain on financing activities	7	416	20,370
Profit / (loss) from continuing operations before income tax		**5,875**	**(25,734)**
Income tax (charge) / credit on continuing operations	11	(2,456)	506
Profit / (loss) for the year		**3,419**	**(25,228)**
Profit / (loss) attributable to:			
– Owners of the parent		1,111	(25,137)
– Non-controlling interests		2,308	(91)
		3,419	**(25,228)**

The notes on pages 29 to 73 are an integral part of these consolidated financial statements.

As further explained in note 2.6.2a there has been a change to the Group's accounting policy for revenue recognition for construction contracts. This results in a restatement in the prior year's construction revenue of £36.7 million (the further impact of which is disclosed in note 4) and a £37.4 million adjustment to cost of sales.

Renewable Energy Systems Holdings Limited
Consolidated statement of comprehensive income
For the year ended 31 October 2023

	Notes	2023 £'000	Restated 2022 £'000
Profit / (loss) for the financial year		**3,419**	**(25,228)**
Other comprehensive (loss) / income:			
Items that will not be reclassified to profit or loss:			
Defined benefit pension remeasurements	27	(32,870)	(14,874)
Change in fair value of equity investments	15	(2,887)	(156)
Deferred tax on equity investments	11	52	39
		(2,835)	(117)
Total comprehensive loss for items that will not be reclassified to profit or loss:		**(35,705)**	**(14,991)**
Items that may be subsequently reclassified to profit or loss:			
Currency translation differences		(5,608)	(11,229)
Change in fair value of bonds	21	4,260	(13,806)
Fair value adjustment on bonds derecognised in the year	21	1,048	-
Fair value adjustment on bonds derecognised in the year reclassified to profit or loss	21	(1,048)	-
Total comprehensive loss for items that may be subsequently reclassified to profit or loss:		**(1,348)**	**(25,035)**
Other comprehensive loss for the year, net of tax		**(37,053)**	**(40,026)**
Total comprehensive loss for the year		**(33,634)**	**(65,254)**
Attributable to:			
- Owners of the parent		(35,942)	(65,152)
- Non-controlling interest		2,308	(102)
Total comprehensive loss for the year		**(33,634)**	**(65,254)**

The income tax relating to each component of other comprehensive income is disclosed in note 11.

The notes on pages 29 to 73 are an integral part of these consolidated financial statements.

Renewable Energy Systems Holdings Limited
Consolidated statement of financial position
As at 31 October 2023

	Notes	2023 £'000	Restated 2022 £'000	Restated 2021 £'000
Non-current assets				
Property, plant and equipment	12	35,665	28,120	21,371
Right of use asset	13	22,563	23,456	16,008
Intangible assets	14	21,276	11,104	5,155
Investments in associates and joint ventures		1	82	145
Equity investments	15	9,849	11,905	1,232
Derivative financial instruments	16	-	-	122
Deferred tax assets	17	6,408	2,557	3,643
Trade and other receivables	18	89,221	985	2,279
		184,983	**78,209**	**49,955**
Current assets				
Trade and other receivables	18	354,599	164,901	150,202
Contract assets	19	34,947	40,728	114,182
Inventory	20	31,009	8,952	13,856
Derivative financial instruments	16	-	-	724
Other current assets	21	130,605	295,057	-
Cash and cash equivalents	22	324,391	230,648	708,532
		875,551	**740,286**	**987,496**
Current liabilities				
Trade and other payables	23	(259,574)	(129,327)	(157,539)
Contract liabilities	19	(185,977)	(32,674)	(50,560)
Current income tax liabilities		(6,858)	(1,380)	(4,995)
Borrowings	24	(93)	(9)	(132)
Lease liabilities	25	(9,312)	(8,395)	(6,364)
Derivative financial instruments	16	-	(227)	(18)
Provisions for liabilities	26	(14,360)	(30,298)	(48,474)
		(476,174)	**(202,310)**	**(268,082)**
Net current assets		**399,377**	**537,976**	**719,414**
Total assets less current liabilities		**584,360**	**616,185**	**769,369**
Non-current liabilities				
Borrowings	24	(321)	(122)	(122)
Lease liabilities	25	(16,026)	(15,807)	(10,381)
Accruals and deferred income		(1,792)	(5)	(1,100)
Provisions for liabilities	26	(850)	(1,588)	(4,773)
Post-employment benefit liabilities	27	(5,110)	(7,840)	(15,240)
Deferred tax liabilities	17	(2,830)	(2,877)	(3,979)
		(26,929)	**(28,239)**	**(35,595)**
Net assets		**557,431**	**587,946**	**733,774**
Equity attributable to owner of the parent				
Ordinary shares	28	57,892	57,892	57,892
Merger reserve		9,584	9,584	9,584
Revaluation reserve		(8,800)	(12,923)	1,039
Cumulative translation differences		5,092	10,700	21,920
Capital redemption reserve		2,109	2,109	2,109
Retained earnings		488,277	521,684	642,228
		554,154	**589,046**	**734,772**
Non-controlling interest		3,277	(1,100)	(998)
Total equity		**557,431**	**587,946**	**733,774**

The notes on pages 29 to 73 are an integral part of these consolidated financial statements.

The financial statements were approved by the board of directors and authorised for issue on 3 July 2024. They were signed on its behalf by:

[redacted]

Director
03 July 2024

Renewable Energy Systems Holdings Limited
Consolidated statement of changes in equity
Year Ended 31 October 2023

	Note	Attributable to owners of the parent								
		Share capital	**Merger reserve**	**Revaluation reserve**	**Cumulative translation reserve**	**Capital redemption reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total equity**
		£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance as at 1 November 2021 (restated)		**57,892**	**9,584**	**1,039**	**21,920**	**2,109**	**642,228**	**734,772**	**(998)**	**733,774**
Loss for the year (restated)		-	-	-	-	-	(25,137)	**(25,137)**	(91)	**(25,228)**
Other comprehensive loss for the year (restated)		-	-	(13,962)	(11,220)	-	(14,835)	**(40,017)**	(11)	**(40,028)**
Total comprehensive income/ (loss) for the year		**-**	**-**	**(13,962)**	**(11,220)**	**-**	**(39,972)**	**(65,154)**	**(102)**	**(65,256)**
Dividends	**29**	-	-	-	-	-	**(80,572)**	**(80,572)**	-	**(80,572)**
Total transactions recognised directly in equity		**-**	**-**	**-**	**-**	**-**	**(80,572)**	**(80,572)**	**-**	**(80,572)**
Balance as at 31 October 2022 (restated)		**57,892**	**9,584**	**(12,923)**	**10,700**	**2,109**	**521,684**	**589,046**	**(1,100)**	**587,946**
Profit for the year		-	-	-	-	-	1,111	**1,111**	2,308	**3,419**
Other comprehensive loss for the year for items that will not be reclssified to profit or loss		-	-	(2,887)	-	-	(32,818)	**(35,705)**	-	**(35,705)**
Other comprehensive (loss) / income for the year for items that may be subsequently reclssified to profit or loss		-	-	4,260	(5,608)	-	-	**(1,348)**	-	**(1,348)**
Total comprehensive (loss) / income for the year		**-**	**-**	**1,373**	**(5,608)**	**-**	**(31,707)**	**(35,942)**	**2,308**	**(33,633)**
Dividends	**29**	-	-	-	-	-	(1,700)	**(1,700)**	-	**(1,700)**
Accumulated fair value losses (which were initially recognised in other comprehensive income) reclassifed to profit or loss on bonds derecognised in the current year		-	-	2,750	-	-	-	**2,750**	-	**2,750**
Non-controlling investment		-	-	-	-	-	-	-	2,069	**2,069**
Total transactions recognised directly in equity		**-**	**-**	**2,750**	**-**	**-**	**(1,700)**	**1,050**	**2,069**	**3,119**
Balance as at 31 October 2023		**57,892**	**9,584**	**(8,800)**	**5,092**	**2,109**	**488,277**	**554,154**	**3,277**	**557,431**

The revaluation reserve includes fair value movements in equity investments (note 15) and bonds (note 21).

The merger reserve arose following an historic corporate capital restructure and is not a distributable reserve.

Renewable Energy Systems Holdings Limited
Consolidated cash flow statement
For the year ended 31 October 2023

	Notes	2023	2022
		£'000	£'000
Cash flows from operating activities			
Cash generated / (absorbed) by operations	31	26,768	(65,061)
Proceeds from disposal of the Group's equity interests in joint ventures and associates		759	-
Interest paid		(1,427)	(988)
Interest received		9,244	2,428
Income tax received / (paid)		1,969	(4,462)
Net cash generated / (used) in operating activities		**37,313**	**(68,083)**
Cash flows from investing activities			
Purchases of subsidiaries (net of cash and cash equivalents acquired), joint ventures and associates		(14,998)	(3,931)
Purchases of property, plant and equipment		(17,904)	(12,749)
Proceeds from sale of property, plant and equipment		4,659	6,814
Purchases of intangibles		-	(2,280)
Purchases of equity investments		-	(10,000)
Purchase of bonds		-	(200,000)
Purchase of short-term bank deposits		-	(105,000)
Proceeds from disposal of short-term bank deposits		105,000	-
Proceeds from bond redemptions		68,833	-
Loans advanced to related parties		(79,575)	-
Dividends received from JVs and associates		-	440
Dividends received from equity investments		-	74
Net cash generated / (used) in investing activities		**66,015**	**(326,632)**
Cash flows from financing activities			
Repayments and other reductions of borrowings		(8)	(8)
Cash payments for principal portion of lease liabilities		(5,547)	(8,407)
Dividends paid to owners of the parent	29	(1,699)	(80,572)
Net cash used in financing activities		**(7,254)**	**(88,987)**
Net increase / (decrease) in cash and cash equivalents		96,074	(483,702)
Cash and cash equivalents at beginning of year	22	230,648	708,532
Exchange (losses)/gains		(2,331)	5,818
Cash and cash equivalents at end of year	22	**324,391**	**230,648**

The notes on pages 29 to 73 are an integral part of these consolidated financial statements.

1 General information

Renewable Energy Systems Holdings Limited (‘the Company’) and its subsidiaries (together, the "Group") develop, construct and operationally manage renewable energy projects and infrastructure. This includes the sale of fully or partially developed projects. The Group has operations in Europe, the Americas and Australia.

The Company is a private company limited by shares, incorporated and domiciled in England and Wales. The address of its registered office is Beaufort Court, Egg Farm Lane, Kings Langley, Hertfordshire, WD4 8LR.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of Renewable Energy Systems Holdings Limited have been prepared in accordance with United Kingdom adopted International Accounting Standards (UK IAS). The financial statements have been prepared under the historical cost convention, as modified by the revaluation to fair value of certain equity investments, bonds and of derivative financial instruments. The financial statements are presented in Pound sterling.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

2.2 New Standards

2.2.1 New Standards, amendments and interpretations adopted by the Group
There are no new or amended IFRS effective for the current year that apply to the Group.

2.2.2 New Standards, amendments and interpretations not yet adopted by the Group
A number of amendments to standards and interpretations are effective for annual periods beginning after 1 November 2023, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group or parent company.

2.3 Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report and Directors' Report. The financial position of the Group is set out in the consolidated statement of financial position and the accompanying notes to the financial statements. The Group's cash and borrowings positions are set out in the Strategic Report and notes 22, 24 and 32 to the financial statements. A description of the Group's financial risks is also set out in note 32 to the consolidated financial statements.

At the year end the Group had cash of £324.4 million (2022: £230.6 million), liquid investments of £140.0 million (2022: £307.0 million) and borrowings of £0.4 million (2022: £0.1 million).

The Directors believe that the Group will be able to continue to manage its business risks successfully. In the forthcoming year, the Group intends to fund its growth by project sales. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Group has a strong focus on cash collection. In addition the Group retains flexibility through divestment of liquid investments such as the bond portfolio.

2.3 Going concern (continued)

Cash forecasts identifying the liquidity requirements of the Group are produced regularly. These are reviewed by the Board to ensure that sufficient financial facilities are available for at least twelve months from the date of signing the financial statements. After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.4 Consolidation

2.4.1 Subsidiaries and business combinations

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Details of the subsidiary entities which have been included in the consolidated financial statements are set out in note 12 of the separate parent company financial statements that accompanies these financial statements. The interests of non-controlling interests in the Group's activities and cash flows are not considered to be material.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in the income statement.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that are deemed to be an asset or liability are recognised in accordance with IFRS 9 in the income statement. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group’s accounting policies.

2.4.2 Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.4 Consolidation (continued)

2.4.3 Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in the income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to retained earnings.

2.4.4 Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the change in net assets of the investee after the date of acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of any amounts previously recognised in other comprehensive income is reclassified to retained earnings where appropriate. Dilution gains and losses arising on partial disposals of investments in associates are recognised in the income statement.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. Distributions received from an associate reduce the carrying amount of the investment.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to "Share of after tax profit / (loss) of joint ventures and associates accounted for using the equity method and gain on disposal of joint ventures and associates" in the income statement.

Gains and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Additional investments in loss making associates are expensed to the extent that they represent share of losses not previously recognised. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.4.5 Joint arrangements

The Group applies IFRS 11 to all joint arrangements. Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Renewable Energy Systems Holdings Limited has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method (see 2.4.4 above).

2.5 Foreign currency translation

2.5.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates ('the functional currency'). The consolidated financial statements are presented in Pound sterling, which is the Group's presentation currency.

2.5.2 Transactions and balances

Foreign currency transactions are initially translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Related foreign currency denominated monetary assets and liabilities remaining at the reporting date are translated into the functional currency using spot rates at that date. Foreign exchange gains and losses resulting from the retranslation or settlement of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, or in either other comprehensive income or directly in equity to follow where the recognition of the underlying item is classified. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'Foreign exchange gain/(loss) on financing activities'. All other foreign exchange gains and losses are presented in the income statement within cost of sales or administrative expenses as appropriate.

Translation differences on non-monetary financial assets measured at fair value, such as equities classified as equity investments, are included in other comprehensive income.

2.5.3 Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

- income and expenses for each income statement are translated at average exchange rates; and

- all resulting exchange differences are recognised via other comprehensive income in "cumulative translation differences" reserves.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Where loans to and borrowings from other Group companies are denominated in foreign currencies and settlement of these items is neither planned nor likely to occur in the foreseeable future, and these items form part of the net investment in a foreign operation, the exchange difference arising on these items is recognised via other comprehensive income in "cumulative translation differences" reserves.

2.6 Revenue recognition

Revenue from construction contracts is recognised over time as the performance obligation is fulfilled. Revenue from development projects is recognised as the development site is transferred to the customer, in line with any contractual obligations. For all revenue streams, payment terms are detailed within the relevant contracts. The Group recognises revenue and profit for specific Group activities, as described below.

2.6.1 Revenue from service agreements

Revenue is earned on support services contracts, where wind, storage and solar sites are operated and managed by the Group on behalf of third parties, and operations and maintenance service contracts where on-site plant and equipment are inspected and maintained by the Group on behalf of third parties. Revenue is recognised as the performance obligations under the service agreements are met.

2.6.2 Revenue from construction contracts

For construction contracts the Group considers the nature of the goods and services within each construction contract and whether they are interrelated and represent an integrated combined output for the customer. The integrated nature of many of the services provided by the Group results in some construction contracts having one performance obligation that is being met over time as the Group’s performance enhances the customer's asset as construction progresses. The Group also enters construction management contracts where the Group provides construction project management services to the customer. Revenue from construction management contracts is recognised over the course of the contract because either the customer simultaneously receives and consumes the benefits of the Group's performance as services are provided or the Group’s services enhance an asset that the customer controls.

The Group primarily uses an input method to measure satisfaction of each performance obligation. For the majority of the Group’s construction contracts costs incurred compared to total estimated contract costs are considered to be the most appropriate method of measuring the Group’s satisfaction of the performance obligations identified.

Revenue and costs are recognised when the outcome of the contract can be estimated reliably. Revenue and the associated costs are recognised based on the percentage of costs incurred up to the reporting date compared to the total estimated contract costs. Costs are usually incurred as construction and installation progresses.

If the contract is not considered profitable, the total expected loss is recognised within the reporting period in which the contract is identified as becoming loss-making.

Under most of the Group’s contracts, the customer pays in accordance with a pre-arranged payment schedule or once milestones have been met. If the amount of revenue recognised (as measured by the methods described above) exceeds the amount of cash received from the customer then the difference will be held on the statement of financial position. This will typically be comprised of a mixture of contract assets and trade receivables. If the amount of cash collected together with amounts due under the contract but uncollected exceeds the amount of revenue recognised then the difference is also held on the statement of financial position as a contract liability.

Variable revenue in respect of contracts (including change orders, liquidated damages and claims) is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty is subsequently resolved.

2.6 Revenue recognition (continued)

2.6.2a Change in accounting policy and restatement
In prior periods significant component costs (such as turbines, solar panels, inverters, power conversion systems and batteries) were excluded from the percentage completion calculation until the items were commissioned. At this point they were recognised in income and costs in the income statement at nil margin. During the current year, management changed their accounting policy such that the costs of significant components are included in the measure of progress when they are installed. Management believes that this better reflects the overall transfer of control of benefits to the customer and will improve comparability with other similar entities.

The application of the above accounting policy within these financial statements results in a restatement in the prior year's construction revenue of £36.7 million (the impact of which is disclosed in note 4) and a £37.4 million adjustment to cost of sales.

The impact on the Statement of Financial position was a restatement of inventories, contract assets, contract liabilities, provisions and reserves. Financial years 2021 and 2022 have been restated to reflect the policy update. The impact on the 2021 Statement of Financial Position was a £52.7 million reduction in inventories, a £6.1 million increase in contract assets, a £45.0 million reduction in contract liabilities and a £0.6 million reduction in provisions.

The impact on the 2022 Statement of Financial Position was a £91.1 million reduction in inventories, a £4.0 million increase in contract assets, a £87.0 million reduction in contract liabilities and a £1.3 million increase in provisions with the other side recognised in reserves.

2.6.3 Revenue from development contracts
The Group provides services for the development of renewable asset projects to external customers. The Group has two models of selling development services and development projects.

i. Development services provided to a Special Purpose Vehicle ("SPV") under a development services contract, where the sale of shares in the SPV to the customer (under a share purchase agreement) occurs once the development services are substantially completed.

Typically comprises one performance obligation for the prescribed development services outlined within the development services contract. Revenue is typically recognised at a point in time once the customer has control of the SPV and where the Group has a right to consideration when the development services are substantively complete.

ii. Development services provided under a standalone development services contract
Typically comprises one performance obligation for the completion of the development services outlined within the development services contract. Revenue is typically recognised over time as the development services are undertaken and where the Group has an enforceable right to payment.

When a development project is sold to a customer through sale of shares in a SPV, the SPV is a separate legal entity which owns the development assets of the project. Such transactions represent the ordinary trading activities of the Group and therefore the consideration receivable from the customer under the share purchase agreement and development contract are recognised within revenue and the cash flows within cash generated from operations.

2.6 Revenue recognition (continued)

2.6.3 Revenue from development contracts (continued)

SPVs can be under joint ownership with an external party. These joint ventures are not treated in the same way as the SPVs solely owned by the group. When the intention is to sell the Group's share in the entity upon completion of the development phase, the sale is recognised within the Group's share of after tax profit of joint ventures and associates accounted for using the equity method; and gain on disposal of joint ventures and associates and the cash flows within cash generated from operations.

If the SPVs are intended to be held as a long-term investment with the view of generating operating revenue, the cash flows relating to the SPVs are recorded under investing activities and any income from the subsequent sale of these entities is recognised as a gain or loss on disposal of a subsidiary or joint venture, depending on the ownership.

Where elements of the contract price are variable and contingent on external factors (e.g. the renewable assets passing a certification or reaching Commercial Operating Date ("COD")) revenue is only included in the transaction price when it is highly probable that there will not be a significant reversal of revenue recognised.

Development contract sales can be entered into at the same time as other related contracts (such as a share purchase agreement, construction contract or asset management agreement). To apply IFRS 15 the Group exercises judgement in determining whether such contracts are linked and to determine the number of performance obligations. Whether the contracts are linked, and the number of performance obligations identified can have a significant bearing on the amount and timing of revenue recognition.

2.6.4 Contract assets
A contract asset is the right to consideration in exchange for goods and services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

2.6.5 Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

As a result of the revenue recognition policy change for construction revenue, a restatement of the Statement of Financial Position as at 1 November 2021 and 31 October 2022 has been made, see note 2.6.2a for further details on the impact to prior periods contract assets and contract liabilities balances as a result of this policy change.

2.7 Employee benefits

2.7.1 Short-term employee benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received. An accrual is recognised at the statement of financial position date for any material remaining obligations to employees.

2.7.2 Annual bonus plans

The Group operates an annual bonus plan for employees, which is a short-term incentive plan. An expense is recognised in the income statement when the Group has a legal or constructive obligation to make payments under the plans as a result of past employee services provided over the plan period and a reliable estimate of the obligation can be made.

2.7.3 Long-term incentive plan

The Group operates a long-term incentive plan for senior employees. Cash payments are made over the vesting period based on performance against a targeted return on net assets for the Group. The charges under the scheme are allocated to the relevant accounting periods in which the Group benefits from the services of the employees concerned. This varies depending on the award dates, the vesting dates and the conditions imposed on continuing employment with the Group. The plan does not result in the issue of, or amounts payable depend upon, any equity instruments of Group companies and the plan is therefore not within the scope of IFRS 2, 'Share-based payments'.

2.7.4 Retirement benefits

The company's subsidiary, Renewable Energy Systems Limited participates in the defined benefits section of the Sir Robert McAlpine Limited Staff Pension and Life Assurance Scheme ("the Scheme").

2.7.4 (a) Defined contribution obligations

For defined contribution schemes the amount charged to the income statement in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

2.7.4 (b) Defined benefit obligations

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the Group's agreed share of the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

2.7 Employee benefits (continued)

The Groups' agreed share of the defined benefit obligation is 10%. This is based on the agreed proportion of annual contributions to fund the scheme obligation. In the event that a contributing member to the scheme is unable to fulfil its annual contributions to the scheme, the contributions would fall due to the other contributing member. The total defined benefit liability is £51.1 million, the Group has recognised a liability of £5.1 million thus the potential non-current contingent liability is £46.0 million. The risk of this contingent liability becoming realised is considered to be remote.

The current service cost of the defined benefit plan is recognised in the income statement in employee benefit expense, except where included in the cost of an asset, and reflects the increase in the defined benefit obligation resulting from service in the current year, benefit changes, curtailments and settlements.

Past-service costs are recognised immediately in income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in "Finance costs" in the income statement. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions ("remeasurements") are charged or credited in other comprehensive income in the period in which they arise.

2.8 Dividend income

Dividend income is recognised when the right to receive payment is established, and is classified within "Other income" in the income statement.

2.9 Finance income

Interest income arising on loans and receivables, and on cash and cash equivalents, is recognised when earned by the Group. Any foreign exchange gains arising on underlying assets that generate interest income are also classified as finance income.

2.10 Finance and borrowing costs

As the Group has no borrowings specific to qualifying assets, all finance and borrowing costs are recognised in the income statement in the period in which they are incurred, and are measured using the effective interest rate method. Any foreign exchange differences arising on underlying liabilities that generate finance and borrowing costs are also classified within 'Foreign exchange gain/loss on financing activities'.

2.11 Current and deferred income tax

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 or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

2.11 Current and deferred income tax (continued)

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 profit will be available against which the temporary differences can be utilised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for any deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference is the deferred income tax liability not recognised.

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 balances on a net basis.

2.11a Change in disclosure of deferred tax on remeasurement of net defined benefit pension liability

In the prior year, the deferred tax on remeasurement of the net defined benefit pension liability of £3.7 million was included within the Statement of Comprehensive Income as a credit balance and shown within the tax charge in the income statement reconciliation in note 11 as an adjustment for deferred tax expense from unrecognised tax loss or credit. This has been restated so that the expense has been removed from the tax charge in the income statement and the deferred tax credit on restatement of net defined benefit pension liability has been removed from the Statement of Comprehensive Income. This reduced the loss for the financial year in 2022 by £3.7 million and increased the other comprehensive loss £3.7 million, with no overall impact on the FY 2022 deferred tax asset balance or total comprehensive loss for the year.

2.12 Leases

The Group is a lessee of the following categories of assets:
1) Property,
2) Motor vehicles
3) Construction Plant and Equipment.

The Group implemented a single accounting model, requiring lessees to recognise assets and liabilities for all leases excluding exceptions listed in the standard. Based on the accounting policy applied the Group recognises a right of use asset and a lease liability at the commencement date of the contract for all leases conveying the right to control the use of an identified asset for a period of time. The commencement date is the date on which a lessor makes an underlying asset available for use by a lessee.

2.12 Leases (continued)

The right of use assets are initially measured at cost, which comprises:
- the amount of the initial measurement of the lease liability,
- any lease payments made at or before the commencement date, less any lease incentives,
- any initial direct costs incurred by the lessee,
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying assets.

After the commencement date the right of use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability.

Depreciation is calculated using the straight-line method over the estimated useful lives. The predominant estimated useful lives are as follows:

Land & Buildings	2 - 12 years
Motor vehicles	1 - 5 years
Plant and equipment	1- 3 years

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. These include:
- fixed payments, less any lease incentives receivable;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease payments exclude variable elements which are dependent on external factors and are discounted using the Group's incremental borrowing rate or the rate implicit in the lease contract.

The lease term determined by the Group comprises:
- non-cancellable period of lease contracts,
- periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option,
- periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

After the commencement date the Group measures the lease liability by:
- increasing the carrying amount to reflect interest on the lease liability,
- reducing the carrying amount to reflect any remeasurement or lease modifications.

The Group has elected to account for leases with a lease term of less than 12 months and low-value underlying assets with a value of less than £3,500 when new, under IFRS 16 paragraph 6 with rental payments expensed on a straight line basis within operating expenses. These leases are disclosed in note 34.

2.13 Property, plant and equipment (PP&E)

PP&E is stated at historical cost net of depreciation and any provision for impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

2.13.1 Depreciation

Land is assumed to have an infinite useful life and therefore is not depreciated. PP&E other than freehold land is depreciated over the useful economic lives on a straight-line basis at the following rates per annum:

Freehold buildings	2%
Leasehold land and buildings	20%
Fixtures and fittings	20%
Plant and equipment	20% to 33%

Assets in the course of construction are not depreciated. Depreciation begins once the asset is available for use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.15).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised on a separate line item in the income statement.

In March 2021 the IFRS Interpretations Committee provided additional guidance on how an entity should account for cloud computing arrangements. In light of this, these items are expensed in the Income Statement as incurred.

2.14 Intangible assets

2.14.1 Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred (which includes cash paid and payable, the amount of any non-controlling interest in the acquiree, and the acquisition-date fair value of any previous equity interest in the acquiree) over the fair value of the identifiable net assets acquired. If the total of consideration transferred is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase (also known as "negative goodwill"), the difference is recognised directly in the income statement. Goodwill arising on the acquisition of associates or joint ventures is included in the carrying amount of those investments.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units that are expected to benefit from the synergies of the combination. Each unit or Group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the cash generating unit containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2.14 Intangible assets (continued)

2.14.2 Other intangible assets

Other separately acquired intangible assets are shown at historical cost. Other intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Other intangible assets have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of other intangibles over their estimated useful lives at the following rates per annum:

UK asset management contracts and customer relationships	7-10%
Australia asset management contracts	13%
IM Future asset management contracts and customer relationships	10%
Anemo customer relationships	14%
Anemo technology-based know-how and software	10-20%

2.15 Impairment of non-current assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Non-current assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows. Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.16 Financial assets

There are three classifications of financial assets under IFRS 9: assets held at amortised cost, assets held at fair value through the profit and loss (P&L) and assets held at fair value through other comprehensive income (OCI). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

2.16.1 Fair value through the P&L

Financial assets classified as fair value through the P&L are those acquired principally for the purpose of selling the financial asset in the short term. Derivatives are also categorised as fair value through the P&L unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

Financial assets classified as fair value through the P&L are initially recognised at their fair value, and transaction costs are expensed in the income statement. Gains or losses arising from changes in the fair value are presented in the income statement in the period in which they arise and are included within 'Other net gains/(losses)', or 'Finance costs' in the case of interest rate swaps used as an economic hedge of interest arising on borrowings.

2.16 Financial assets (continued)

2.16.2 Amortised cost

Non-derivative financial assets held to collect contractual cash flows and are not quoted in an active market are classified and held at amortised cost. These assets are included in current assets, except for maturities greater than 12 months after the end of the reporting period which are classified as non-current assets. The Group's financial assets measured at amortised cost comprise 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position (notes 2.20 and 2.21).

2.16.3 Fair value through OCI

The Group has two categories of assets in this category, equity investments and bonds.

Equity investments are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Under IFRS 9, equity investments are measured at fair value and changes to the fair value are recorded in the income statement unless an irrevocable election is made to record changes to the fair value in other comprehensive income. On disposal of the investment the cumulative change in fair value must remain in other comprehensive income and not recycled to the profit or loss. However there is the ability to transfer amounts between reserves within equity.

Both quoted and unquoted equity investments are to be initially measured at fair value. All equity investments must be measured at fair value using the framework within IFRS 13 Fair Value Measurement.

The Group has elected to recognise movements in the fair value of equity investments in other comprehensive income under IFRS 9. As a result fair value movements are recorded within other comprehensive income along with gains or losses on disposal of the investments.

Dividends on equity investments are recognised in the income statement as part of "Other income" when the Group's right to receive payment of the dividend is established.

The Group has recognised bonds under this category. Bonds are investment securities held by a third party for a set period of time in exchange for regular interest payments. They are included in current assets despite their maturity date based on the business model that the Group retains the right to liquidate the portfolio at short notice should the need arise.

Under IFRS 9, bonds are measured at fair value and based on the Group's business model changes to the fair value are recorded in other comprehensive income. As a result fair value movements are recorded within other comprehensive income.

2.16 Financial assets (continued)

2.16.4 Derecognition of financial assets
Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

2.17 Impairment of financial assets

2.17.1 Financial assets carried at amortised cost - loans and receivables, cash and cash equivalents
Financial assets measured at amortised cost are impaired using the expected credit loss (ECL) model under IFRS 9. Under the ECL model credit losses are recognised based on the forecasted probability of a credit loss occurring using historic, current and forward-looking information on the debtor, thus resulting in the earlier recognition of credit losses.

The Group assesses whether there is objective evidence that a financial asset or group of financial assets may become impaired at each reporting date. If there is a significant change to the credit risk of the financial instrument since initial recognition, the Group will recognise an impairment amount equal to the lifetime expected credit losses. If there has been a small but insignificant increase in the credit risk on a financial instrument since initial recognition, the Group will recognise an impairment amount equal to the 12-month expected credit losses.

Evidence of impairment may include indications that a debtor, group of debtors, or other counterparty to the financial asset is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults such as macroeconomic information related to interest rates and inflation.

For financial assets measured at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, including future credit losses that are likely to be incurred, discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the credit risk decreases after recognising the lifetime expected credit losses, the Group will adjust the impairment to equal an amount equal to the 12-month expected credit losses.

All impairments are recognised in the income statement as an impairment gain or loss.

2.17.2 Financial assets classified as equity investments
The Group assesses at the end of each reporting period whether there is objective evidence that an equity investment is impaired. For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the income statement on equity investments are not reversed through the consolidated income statement.

2.18 Derivative financial instruments and hedging activities

The Group uses derivative financial instruments to reduce exposure to interest rate and foreign currency movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives, including embedded derivatives that are not closely related to the host contract, are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The Group does not apply hedge accounting on derivative financial instruments. Therefore, the gain or loss on the instruments is recognised directly in the income statement within "Other net gains".

2.19 Inventories including construction and service contracts

The recognition of significant components such as wind turbines, solar panels and battery energy storage components are included within inventories and then recognised as costs in the income statement as construction and installation progresses. Previously these assets were recognised as inventory until commissioning, see note 2.6.2a for further details on the impact to prior periods inventories balance as a result of this policy change. Inventories can also include uninstalled materials, spare parts and components that may be used or sold as part of service contracts.

Work-in-progress is measured at the lower of cost and fair value less costs to sell and arises principally on those contracts for services provided by the Group which feature revenue and related cost recognition on substantial completion of the contract. Amounts included within work-in-progress represent the cumulative costs incurred on specific contracts, net of amounts recognised in cost of sales by applying the percentage completion method and less provision for anticipated future losses on contracts.

Spare parts are measured at the lower of cost, which is determined on a first in first out basis, and net realisable value.

The carrying amount of inventory is assessed for impairment at each reporting date and provision is made to reduce the carrying amount to recoverable amount for all known or expected losses on stocks or work in progress.

2.20 Trade receivables

Trade receivables are amounts due from customers for energy sold or services performed and invoiced in the ordinary course of business. If collection is expected in one year or less they are classified as current assets, or if not they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment measured under the expected credit loss (ECL) model outlined in section 2.17.1.

2.21 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. The Company classifies cash held in term deposit accounts and notice accounts, where the term or notice period is longer than three months, as other receivables.

For the purposes of the cash flow statement, the Group classifies cash flows relating to finance income and costs as operating cash flows.

2.22 Trade payables

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

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.23 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of loan issue and other directly attributable transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Included in the finance charge resulting from application of the effective interest rate method are amounts arising from the expensing of deferred loan issue and other directly attributable transaction costs, which the Group chooses to disclose separately as "amortisation of loan issue costs" to aid the understanding of readers of the financial statements.

2.24 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.25 Provisions

A provision is recognised in the statement of financial position when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions with a maturity greater than one year are determined by discounting to present value the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2.26 Share capital

Ordinary shares are classified as equity.

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

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any material directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2.27 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved.

2.28 Segmental disclosures

The Group is not required to apply IFRS 8 and has elected not to voluntarily prepare segmental disclosures.

3 Critical judgements and key sources of estimation uncertainty in applying the Group's accounting policies

In applying the Group’s accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts 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 following are the critical judgements and estimates that the directors have made in the process of applying the Group’s accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Construction contracts
3.1.1 Warranty provisions (Estimate)
Following completion of a construction contract, the majority of customers enter into a warranty period, for which the terms are unique to each contract. Warranty periods are typically 2-5 years, with a broader warranty for the first two years and a more limited warranty for the remaining periods. The Group accrue a warranty provision (see note 26) upon substantial completion of each construction contract based on the estimated warranty expense, which is usually a percentage of the contract value.

3.1.2 Revenue and margin recognition (Judgement and estimate)

i) Judgements

Construction and development contracts

In applying the Group’s revenue recognition and profit recognition accounting policies (see note 2.6) in accordance with IFRS 15, management exercises judgement in determining the number of performance obligations under its construction and development contracts. The number of performance obligations identified can have a significant bearing on the amount and timing of revenue recognition.

ii) Estimates
Construction contracts
The Group's revenue recognition and margin recognition policies are set out in note 2.6. These policies require forecasts of the outcomes of long-term construction service contracts. Revenue and margins are calculated based on the percentage completion of the contract, which is based on costs incurred as a proportion of the total estimated contract costs, as this indicates the proportion of the performance obligation completed. All costs associated with each contract are estimated using cost quotations specific to the contract. The range of potential outcomes as a result of uncertain future events could result in a materially positive or negative swing to profitability and cash flow. The group updates its total cost estimate whenever new information arises.

There may be conditions stated in the construction contract which may lead to variable consideration. Variable consideration will impact the revenue recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

3.1 Critical judgements and key sources of estimation uncertainty in applying the Group's accounting policies (continued)

3.1.2 Revenue and margin recognition (Judgement and estimate) (continued)
Estimations are required to assess variations to the original contracted revenue, including changes in scope and any potential liquidated damages that may be claimed by customers. Estimates are required to forecast the total cost to complete a construction project in line with contracted requirements. As at 31 October 2023, the Group's contract assets, contract liabilities and contract provisions amounted to £34.9 million, £186.0 million and £15.2 million respectively as set out in Notes 19 and 26. Within the portfolio of Construction contracts, there are a limited number of long-term contracts where the Group has incorporated significant estimations over contractual entitlements relating to recoveries of claim income from customers and liquidated damages levied by the customer. The Group has considered the nature of the estimates in recognising the financial performance of these construction projects and concluded, due to the contractual nature, there are two extreme ends on the range of possible outcomes for each project (claims in excess of any contractual limits have been capped). Whilst these extremes in any contract may be possible albeit remote, the Group has recognised variable revenues on these contracts to the extent it is considered highly probable that a significant reversal will not occur in a future period. There is one project where significant estimations have been required, which has unapproved variations to original contracted revenue in addition to potential liquidated damages which could result in an increase of £3.7 million or decrease of £3.0 million to the project revenue and margin.

3.1.3 Development contract sales: Sale of wind and solar farm and battery storage subsidiaries (Judgement)

As outlined in note 2.6 the Group's strategic business operating model includes the development of wind and solar farm and battery storage installations. Depending on the contractual nature of the proposed development sale to the customer separate legal entities (SPVs) for the wind and solar farm and battery storage installation development may be established, which are controlled by the Group. Management is required to exercise judgement regarding: the status of any offers and negotiations for sale of a particular project at the reporting date, the likelihood of completing such sales, whether the Group's performance obligations have been satisfied, whether control of the legal entity has passed to the customer and the impact on the Group's ongoing business from the disposal of one or more subsidiary entities.

Management exercise judgement in determining whether such transactions represent the ordinary trading activities of the Group and therefore the consideration receivable from the customer under the share purchase agreement and development contract are recognised within revenue and the cash flows within cash generated from operations. In management's judgement, the Group's strategic business operating model means that sales of development subsidiaries will arise from time to time, but it is not likely that (i) any one subsidiary will represent a major separate line of business to the Group, or that (ii) a Group of subsidiaries will be disposed of under a single coordinated plan, and accordingly disposals of development subsidiaries are not considered to be discontinued operations of the Group.

Where, in management's judgement, the criteria in IFRS 5 relating to the classification of non-current assets and disposal Groups as held for sale is satisfied, the assets and liabilities of such subsidiaries are classified as held for sale.

3.1 Critical judgements and key sources of estimation uncertainty in applying the Group's accounting policies (continued)

3.1.4 Development and pre-contract costs (Judgement)
The Group incurs a variety of costs in the investigative and preliminary phases of wind and solar farm projects, and battery storage installations, including land options costs, geological and ecological studies, grid studies, energy yield assessments and engineering costs. Judgement is required in determining whether or not the recoverability of these development phase costs is probable, either from future operation by the Group of resulting infrastructure assets that it will own or through recovery from revenues earned under Development Service Agreements (DSA) and Engineer, Procure and Construct (EPC) contracts with third parties. In exercising those judgements, management takes into account the regulatory approval and consent regimes that apply in the various territories in which the Group operates, along with experience of actual recoveries, if any, from other similar previous circumstances in those territories. In the Group's judgement it is appropriate to expense development and pre-contract costs incurred in the early stages of a development where recovery cannot be considered probable until a relatively late stage in the development phase following approval by authorities and execution of contracts with third parties, only at this point is it considerdered that there is certainty of the project being sold to a customer.

Deferred tax
3.1.5 Recoverability of deferred tax assets (DTAs) (Estimate)
The Group recognises deferred tax assets arising from deductible temporary differences and from past losses. In assessing the recoverability of these DTAs the Group is required to estimate the likely future taxable profits of subsidiaries within the Group, the extent to which losses in one subsidiary can be offset against profits in other subsidiaries and the impact of any changes in tax legislation or rates impacting the carrying value of DTAs. At 31 October 2023, the Group has estimated that DTAs of £6.4 million will be recoverable and has recognised this amount as an asset, but has estimated that a further £138.6 million of DTAs are not probable of being recognised in the foreseeable future with this amount not recognised as an asset.

4 Revenue

	2023 £'000	Restated 2022 £'000
Revenue from service agreements	89,367	68,500
Revenue from construction contracts	749,425	440,754
Revenue from development contracts	183,025	89,991
Other	12	10
	1,021,829	**599,255**
UK	91,641	113,682
Rest of Europe	48,284	83,650
The Americas	847,885	394,688
Australia	34,019	7,235
	1,021,829	**599,255**

Revenue from construction contracts has been restated in the prior year from £404.0 million to £440.8 million due to the change in the Group's accounting policy for significant components (please refer to accounting policy 2.6.2a for further details). This also results in a £21.0 million adjustment (decrease) to the prior year 'UK' revenue, a £37.5 million adjustment (increase) to the prior year 'Rest of Europe' revenue, and a £20.3 million adustment (increase) to the prior year 'The Americas' revenue.

Transaction price allocated to the remaining performance obligations (excluding joint ventures and associates)

In accordance with IFRS 15 Revenue from Contracts with Customers, the Group is required to disclose the remaining transaction price allocated to performance obligations not yet delivered. Below is a summary of the remaining transaction price to be recognised in future years split by revenue stream.

	2024 £'000	2025 £'000	2026 onwards £'000	Total £'000
Revenue from construction contracts	563,954	271,392	2,223	**837,569**
Revenue from development contracts	15,574	15,271	-	**30,845**
Revenue from service agreements	82,071	66,769	137,546	**286,386**
Total	**661,599**	**353,432**	**139,769**	**1,154,800**

The total transaction price allocated to the remaining performance obligations represents the contracted revenue to be earnt by the Group for distinct goods and services which the Group has promised to deliver to its customers. These include promises which are partially satisfied at the period end or those which are unsatisfied but which the Group has committed to providing. In deriving this transaction price, any element of variable revenue is estimated at a value that is highly probable not to reverse in the future.

5 Expenses

	2023 £'000	2022 £'000
Operating loss is stated after charging / (crediting) the following:		
Inventory expensed in cost of sales	5,148	19,963
Acquisition costs relating to business combinations during the year expensed in administrative expenses	1,135	369
Employee benefit expense (note 6)	216,421	178,360
Depreciation and impairment charges on PPE (note 12)	8,733	6,324
Depreciation and impairment charges on right of use assets (note 13)	7,241	6,946
Amortisation of intangibles expensed in administrative expenses (note 14)	1,069	323
Profit on disposal of PPE	(1,372)	(693)
Loss allowance on trade receivables (note 18)	1,538	4
Foreign exchange loss/(gain) on principal trading activities (note 7)	2,828	(4,072)
Lease payments in accordance with IFRS 16 paragraph 6:		
- Minimum lease payments related to short-term and/or low value leases (note 34)	2,246	1,155

5 Expenses (continued)

Auditor's remuneration

Services provided by the company's auditor and its associates

During the year the group (including its overseas subsidiaries) obtained the following services from the company's auditor and its associates:

	2023 £'000	2022 £'000
Fees payable to Company's auditor and its associates for the audit of parent company and consolidated financial statements	698	573
Fees payable to Company's auditor and its associates for other services:		
- The audit of company's subsidiaries financial statements	166	164
- Other services	176	2
- Tax advisory services	115	158
- Tax compliance service	257	92
	1,412	**989**
Audit fees	864	737
Non-audit fees	548	252
	1,412	**989**

6 Employees

	2023 £'000	2022 £'000
Employee cost expense		
Wages and salaries	190,138	156,685
Social security costs	17,216	12,737
Long-term incentive plan	2,090	2,503
Pension costs accounted for as defined contribution plans (note 27)	6,877	6,345
Pension costs accounted for as defined benefit plans (note 27)	100	90
	216,421	**178,360**

6.1 Average monthly number of people employed

The average number of employees, including the directors, during the year was:

Engineering, technical and project management	1,935	1,571
Management and administration	399	300
	2,334	**1,871**

7 Net foreign exchange gains / (losses)

The exchange differences credited / (charged) to the income statement are included as follows:

	2023 £'000	2022 £'000
Foreign exchange (loss)/gain on principal trading activities (note 5)	(2,828)	4,072
Finance income and costs (note 10)	416	20,370
	(2,412)	**24,442**

8 Other net gains

	2023 £'000	2022 £'000
Derivative financial instruments at fair value through profit or loss:		
Fair value losses	(24)	(1,536)
Other gains	1,849	1,982
	1,825	**446**

Other net gains includes fair value losses on derivatives and gains on disposal of property, plant and equipment.

9 Other income

	2023 £'000	2022 £'000
Dividend receivable from equity investments	671	204
Other	1,903	2,203
	2,574	**2,407**

Other substantially includes an insurance reimbursement from a US project, equipment sales and Candian tax incentives.

10 Net finance income / (costs)

	2023	2022
	£'000	£'000
Finance costs:		
- Borrowings	(7)	(10)
- Net foreign exchange losses on financing activities (note 7)	(1,017)	-
- Other interest payable	(245)	(21)
- Amortisation of debt issue costs	(5)	-
- Interest on obligations under leases	(1,348)	(986)
Finance costs relating to financial liabilities	**(2,622)**	**(1,017)**
Finance costs relating to non-financial liabilities		
- Interest payable under the defined benefit pension scheme (note 27)	(2,000)	(1,110)
Finance costs relating to financial and non-financial liabilities	**(4,622)**	**(2,127)**
Finance income:		
- Interest income on bank and other short-term deposits	4,859	1,828
- Interest income on loans to associates	4,175	74
- Other interest receivable	6,630	5,551
- Net foreign exchange gains on financing activities (note 7)	1,433	7,663
- Exchange gain on conversion of debt (note 7)	-	12,707
Finance income relating to financial liabilities	**17,097**	**27,823**
Finance income relating to non-financial liabilities		
- Interest income from the defined benefit pension scheme (note 27)	2,000	970
Finance income relating to financial and non-financial liabilities	**19,097**	**28,793**

Other interest receivable in the current year includes interest on bonds.

11 Income tax charge

	2023	2022
	£'000	£'000
Current tax:		
Current tax on profit for the year	9,787	1,522
Adjustments in respect of prior years	(1,464)	(1,919)
Total current tax charge / (credit)	**8,323**	**(397)**
Deferred tax (note 17):		
Origination and reversal of temporary differences	(5,217)	(224)
Adjustments in respect of prior years	(650)	115
Total deferred tax credit	**(5,867)**	**(109)**
Income tax charge / (credit)	**2,456**	**(506)**

11 Income tax charge (continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise from applying the UK tax rate to loss of the consolidated entities as follows:

	2023 £'000	Restated 2022 £'000
Profit / (Loss) from continuing operations before tax:	5,875	(25,734)
Tax calculated at UK domestic tax rate 22.5% (2022: 19%):	1,322	(4,889)
Tax effects of:		
– Effect of overseas tax rates	1,163	(596)
– Income not subject to tax	(10,249)	(8,231)
– Expenses not deductible for tax purposes	3,658	409
– Recognition of previously unrecognised tax losses	-	(2,302)
– Current year items for which no deferred income tax asset was recognised	8,433	14,955
– Research and development tax credits	(45)	(271)
– De-recognition of deferred tax asset	288	2,484
– Adjustments in respect of prior years	(2,114)	(2,065)
Tax charge / (credit) relating to loss before tax	**2,456**	**(506)**

Income not subject to tax primarily relates to participation exemptions arising in the UK, Canada and Sweden.

The tax charge relating to components of other comprehensive (loss) / income is as follows:

	2023		
	Before tax £'000	Tax (charge) /credit £'000	After tax £'000
Fair value gains on equity investments	(2,887)	52	(2,835)
Re-measurements of post-employment benefit liabilities (note 27.1)	(32,870)	-	(32,870)
Change in fair value of bonds	4,260	-	4,260
Currency translation differences	(5,608)	-	(5,608)
Other comprehensive loss	**(37,105)**	**52**	**(37,053)**
Current tax		-	
Deferred tax (note 17)		52	
		52	

	2022		
	Before tax £'000	Tax (charge) /credit £'000	After tax £'000
Fair value gains on equity investments	(156)	39	(117)
Re-measurements of post-employment benefit liabilities (note 27.1)	(14,874)	-	(14,874)
Change in fair value of bonds	(13,806)	-	(13,806)
Currency translation differences	(11,237)	-	(11,237)
Other comprehensive income	**(40,073)**	**39**	**(40,034)**
Current tax		-	
Deferred tax (note 17)		39	
		39	

12 Property, plant and equipment

	Assets in the course of construction £'000	Freehold land and buildings £'000	Leasehold land and buildings £'000	Fixtures and fittings £'000	Plant and equipment £'000	Total £'000
Cost:						
At 1 November 2021	-	12,446	3,383	3,567	37,723	57,119
Exchange rate adjustments	-	96	13	267	4,184	4,560
Additions	899	1,070	-	399	10,381	12,749
Disposals	-	(231)	-	(509)	(5,487)	(6,227)
At 31 October 2022 (Restated)	899	13,381	3,396	3,724	46,801	68,201
Exchange rate adjustments	(45)	(145)	-	(199)	(1,565)	(1,954)
Additions relating to business acqusitions	-	-	-	1,248	5	1,253
Additions	897	4,010	-	1,332	11,664	17,903
Disposals	-	(345)	-	(253)	(3,033)	(3,631)
Transfers/reclassifications	-	932	-	(1,044)	(68)	(180)
At 31 October 2023	1,751	17,833	3,396	4,808	53,804	81,592
Depreciation:						
At 1 November 2021	-	6,846	1,883	2,235	24,784	35,748
Exchange rate adjustments	-	56	1	250	3,105	3,412
Charge for the year	-	304	18	311	5,609	6,242
Impairment (Restated)	-	82	-	-	-	82
Disposals	-	(229)	-	(505)	(4,669)	(5,403)
At 31 October 2022 (Restated)	-	7,059	1,902	2,291	28,829	40,081
Exchange rate adjustments	-	(2)	-	(96)	(839)	(937)
Charge for the year	-	574	-	596	7,563	8,733
Depreciation relating to business acquisitions	-	-	-	1,108	2	1,110
Disposals	-	-	-	(253)	(2,626)	(2,879)
Transfers/reclassifications	-	(110)	-	(11)	(60)	(181)
At 31 October 2023	-	7,521	1,902	3,635	32,869	45,927
Net book value:						
At 31 October 2023	**1,751**	**10,312**	**1,494**	**1,173**	**20,935**	**35,665**
At 31 October 2022	899	6,322	1,494	1,433	17,972	28,120
At 31 October 2021	-	5,600	1,500	1,332	12,939	21,371

In March 2021 the IFRS Interpretations Committee provided additional guidance on how an entity should account for cloud computing arrangements. In light of this RES expenses any software deemed to be a service agreement. This policy has been consistently applied in the current and prior year, see accounting policy 2.14 for further details.

Impairment recognised in cost in the prior year has been reclassified to depreciation in line with IAS 16.

13 Right of use assets

Under IFRS 16 each lease within the scope of the standard must be recognised as a right of use asset at the present value of future rental payments plus any lease incentives, initial direct costs incurred by the lessee, advance payments and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying assets.

	Land and buildings £'000	Vehicles £'000	Plant and Equipment £'000	Total £'000
Cost:				
At 31 October 2021	9,406	14,527	2,226	26,159
Exchange rate adjustments	514	2,443	414	3,371
Additions	9,061	2,314	5,244	16,619
Disposals	(1,927)	(7,436)	(1,261)	(10,624)
At 31 October 2022 (Restated)	17,054	11,848	6,623	35,525
Exchange rate adjustments	(790)	(529)	(345)	(1,664)
Additions	7,817	2,298	1,506	11,621
Disposals	(2,418)	(3,473)	(1,772)	(7,663)
At 31 October 2023	21,663	10,144	6,012	37,819
Depreciation:				
At 31 October 2021	3,493	5,655	1,003	10,150
Exchange rate adjustments	359	1,162	404	1,925
Charge for the year	1,949	2,489	2,256	6,694
Disposals	(1,878)	(3,644)	(1,261)	(6,783)
Impairments (Restated)	75	7	-	82
At 31 October 2022	3,998	5,669	2,402	12,068
Exchange rate adjustments	(158)	(229)	(82)	(469)
Charge for the year	2,509	2,287	2,429	7,225
Disposals	(317)	(2,121)	(1,146)	(3,584)
Impairments	16	-	-	16
At 31 October 2023	6,048	5,606	3,603	15,256
Net book value:				
At 31 October 2023	15,615	4,538	2,409	22,563
At 31 October 2022	13,056	6,179	4,221	23,456
At 31 October 2021	5,913	8,872	1,223	16,008

The prior year disclosure above has been restated to reclassify impairments from cost to depreciation.

14 Intangible assets

	Other intangibles £'000	Goodwill £'000	Total £'000
Deemed cost:			
At 1 November 2021 (Restated)	4,131	2,676	6,807
Additions	2,785	3,537	6,322
At 31 October 2022 (Restated)	6,916	6,213	13,129
Exchange rate adjustments	(30)	(217)	(247)
Additions	7,765	3,974	11,739
At 31 October 2023	**14,651**	**9,970**	**24,621**
Accumulated amortisation/ impairment:			
At 1 November 2021 (Restated)	1,652	-	1,652
Charge for the year	323	-	323
Impairments (Restated)	50	-	50
At 31 October 2022	2,025	-	2,025
Exchange rate adjustments	(3)	-	(3)
Charge for the year	1,069	-	1,069
Impairments	254	-	254
At 31 October 2023	**3,345**	**-**	**3,345**
Net book value:			
At 31 October 2023	**11,306**	**9,970**	**21,276**
At 31 October 2022	4,891	6,213	11,104
At 31 October 2021	2,479	2,676	5,155

The current year impairment relates to the Australia asset mangement contracts acquired as part of the Blueshore acquisition due to the early termination of a contract indicating the need to impair this asset.

The prior year restated balances relate to the reclassification of impairments from cost to accumulated amortisation/ impairment totalling £780,000.

Other intangibles	**2023 £'000**	**2022 £'000**
UK asset management contracts and customer relationships	4,090	4,434
Australia asset management contracts	114	457
IM Future asset management contracts and customer relationships	3,180	-
Anemo customer relationships	1,492	-
Anemo technology-based know-how and software	2,430	-
	11,306	**4,891**

Other intangibles have been reviewed for impairment and the above values represent the fair value of these assets to the Group.

Goodwill

Impairment tests for goodwill

Management reviews the business performance based on geography and type of business. The cash generating unit in relation to the brought forward goodwill is UK Asset Management attained as part of the acquisition of RES White and Australia's Asset Management business which has arisen through the acquisition of Blueshore Pty Limited. The cash generating unit of the acquired goodwill is the acquired O&M company for the goodwill relating to Integral Management Future Renewables S.L (IM Future) and the group's asset management value stream for the goodwill relating to Anemo Analytics ApS (see note 30). The following is a summary of goodwill allocated to each cash generating unit:

	2023 £'000	**2022 £'000**
UK Asset Management	2,676	2,676
Australia Asset Management	3,321	3,537
IM Future	1,850	-
Group Asset Management	2,124	-
	9,970	6,213

In assessing goodwill for impairment management have concluded that the three-year forecasted profits of the UK Asset Management Business do not indicate any reason to impair the goodwill recognised. Similarly, management have concluded that the five-year forecasted profits of Australia's Asset Management Business do not indicate any reason to impair the goodwill recognised. Management have also reviewed the five-year forecast for the Group Asset Management Business and IM Future which do not indicate any reason to impair the goodwill recognised.

15 Equity investments

	2023 £'000	2022 £'000
At start of year	11,905	1,232
Additions	831	10,829
Net losses recognised in other comprehensive income	(2,887)	(156)
At end of year	**9,849**	**11,905**
Less current portion	-	-
Non-current portion	**9,849**	**11,905**

Equity investments include the following:

	2023 £'000	2022 £'000
Listed equity securities – UK	9,849	11,905
Total	**9,849**	**11,905**

Equity investments are denominated in the following currencies:

	2023 £'000	2022 £'000
UK pound sterling	9,849	11,905
Total	**9,849**	**11,905**

Equity investments comprise a 0.39% (2022: 0.37%) shareholding in the shares of The Renewables Infrastructure Group “TRIG”, a listed renewables fund, which are considered to be level 1 investments in the fair value hierarchy as there is a marketed price.

The maximum exposure to credit risk is the carrying amounts of the financial assets at the reporting date.

16 Derivative financial instruments

	2023 Assets £'000	2023 Liabilities £'000	2022 Assets £'000	2022 Liabilities £'000
Forward foreign exchange contracts	-	-	3,295	(3,522)
Total	**-**	**-**	**3,295**	**(3,522)**
Less non-current portion:	-	-	-	-
Current portion	**-**	**-**	**3,295**	**(3,522)**

Forward foreign exchange contracts

The notional principal amounts of the outstanding forward foreign exchange contracts at 31 October 2023 were £nil (2022: £3,294,883) and the prior year derivatives had a maturity date within 2023. These forward contracts provided an economic hedge against the Group's turbine and battery storage construction payments predominantly denominated in Euros in 2022.

The maximum exposure to credit risk at the 2022 reporting date was the fair value of the derivative assets in the statement of financial position.

None of the Group's derivative instruments were traded in active markets, and were fair valued using inputs (other than quoted prices) that were observable directly or indirectly - i.e. level 2 hierarchy. Valuation techniques were used, along with input from third party financial institutions, using observable market data where it was available, such as yield curves used as an input to interest rate swap valuations and forward exchange rate data for forward foreign exchange derivatives. The Group did not consider that any counterparties to derivative instruments had credit risk that materially impacts the calculated fair value of the instruments.

17 Deferred tax

The analysis of net deferred tax assets and deferred tax liabilities is as follows:

	2023 £'000	Restated 2022 £'000
At start of year	(320)	(335)
Exchange differences	(209)	18
Income statement debit (note 11)	5,866	109
Tax credit relating to components of other comprehensive income (note 11)	52	39
Deferred tax on intangibles	(1,811)	(151)
At end of year	**3,578**	**(320)**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax liabilities	Current liabilities £'000	Non-current liabilities £'000	Total £'000
At 1 November 2021	-	(3,979)	(3,979)
Credited to the income statement	-	1,186	1,186
Debited to intangibles	-	(151)	(151)
Foreign exchange movements	-	66	66
At 31 October 2022	-	(2,877)	(2,877)
Debited / (credited) to the income statement	(149)	1,841	1,692
Debited to intangibles	-	(1,811)	(1,811)
Foreign exchange movements	-	166	166
At 31 October 2023	**(149)**	**(2,681)**	**(2,830)**

The deferred tax liabilities as at 31 October 2023 consist of £0.7 million relating to GAAP differences, £0.1 million relating to business combinations and £2.0 million relating to other timing differences (in the prior year £1.8 million related to timing differences on projects, £0.6 million related to to GAAP differences, £0.2 million related to business combinations and £0.4 million related to other timing differences).

A deferred tax liability of £3.5 million has not been recognised in respect of potential withholding tax expense that would arise if a dividend was paid from distributable reserves on the basis that the relevant reserves are intended to be reinvested into the local business.

Deferred tax assets	Tax losses £'000	Other £'000	Total £'000
At 1 November 2021	1,346	2,297	3,643
Charged to the income statement (restated)	(1,061)	(16)	(1,077)
Debited to other comprehensive income (restated)	-	39	39
Exchange difference	5	(53)	(48)
At 31 October 2022	290	2,267	2,557
Charged to the income statement	(163)	4,338	4,175
Debited to other comprehensive income	-	52	52
Exchange difference	(2)	(373)	(375)
At 31 October 2023	**125**	**6,284**	**6,409**

Other deferred tax assets mostly relates to project timing differences in Canada (£5.6 million).

Deferred tax assets are recognised to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group has not recognised net deferred assets of £138.6 million (2022: £126.1 million) in respect of losses amounting to £87.9 million (2022: £76.6 million) that can be carried forward against future taxable income, timing differences associated with investments in subsidiaries of £0.7 million (2022: £nil) and other timing differences of £50.1 million (2022: £49.5 million).

As noted in note 2.11 in FY 2022 the deferred tax on remeasurement of the net defined benefit pension liability of £3.7 million was included within the Statement of Comprehensive Income as a credit balance and shown within the tax charge in the income statement reconciliation in note 13 as an adjustment for deferred tax expense from unrecognised tax loss or credit. This has been restated so that the expense has been removed from the tax charge in the income statement and the deferred tax credit on restatement of net defined benefit pension liability has been removed from the Statement of Comprehensive Income. This reduced the loss for the financial year in 2022 by £3.7 million and increased the other comprehensive loss £3.7 million, with no impact on the total comprehensive loss for the year.

17 Deferred tax (continued)

There is no time limit on any of the unrecognised deferred tax assets however there are restrictions over use such as to the amount of tax losses that may be used in a given tax year depending on the rules of each tax jurisdiction.

The main rate of UK corporation tax increased from 19% to 25% from 1 April 2023. As such, deferred tax balances have been measured at a rate of 25% and current year tax has been calculated at a blended rate of 22.5%.

The group has applied the temporary exception, introduced in May 2023, from the accounting requirements for deferred taxes in IAS 12, so that the group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

On 11 July 2023, the UK government, where the parent company is incorporated, enacted the Pillar Two income taxes legislation effective from 1 January 2024. Under the legislation, the parent company will be required to pay, in the UK, top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15 per cent. No significant tax exposures are expected in respect of the subsidiaries of the parent company because the average rate of tax is above 15% in all companies except Ireland where the group's profits are immaterial to the overall group. This information is based on the profits and tax expense determined as part of the preparation of the group's consolidated financial statements which is expected to be broadly similar to the requirements under Pillar Two suggesting that no material tax exposure would have existed under the Pillar Two income taxes legislation had it been in effect for the year ending 31 December 2023.

The group is continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

18 Trade and other receivables

	2023 £'000	2022 £'000
Trade receivables	323,497	102,777
Less: impairment of trade receivables	(2,565)	(1,078)
Trade receivables – net	320,932	101,699
Prepayments	25,222	44,324
Value added tax	3,863	1,736
Corporation tax	2,695	7,587
Other receivables	2,907	6,089
Receivables from related parties	88,201	4,451
	443,820	165,886
Less non-current portion: other debtors	89,221	985
Current portion	**354,599**	**164,901**

Non-current receivables are due between one and five years from the end of the reporting period.

Amounts included within receivables from other related parties include loans due from entities under common control of The McAlpine Partnership Trust (incorporated in the UK). The loans bear interest between 2% and 4% above the relevant base rate and have repayment dates up to 2026 and 2032.

Based on prior experience, an assessment of the current economic environment and a review of the financial circumstances of individual customers, the Directors believe no further credit risk provision is required in respect of trade receivables and other receivables including those from related parties. The Directors consider that the carrying values of current and non-current trade and other receivables approximate their fair values.

18 Trade and other receivables (continued)

Analysis of trade receivables

	2023 £'000	2022 £'000
Trade receivables can be analysed as follows:		
Amount receivable not past due	271,576	89,056
Amount receivable past due but not impaired	49,356	12,643
Amount receivable impaired (gross)	2,565	1,078
Less: impairment	(2,565)	(1,078)
	320,932	101,699

Maturity profile of trade receivables past due but not impaired

	2023 £'000	2022 £'000
31 - 60 days	5,709	3,246
61 - 90 days	36,053	74
91 - 120 days	1,493	7,205
120+ days	6,101	2,118
	49,356	12,643

Movement in the provision for the impairment of trade receivables

	2023 £'000	2022 £'000
At start of year	(1,078)	(328)
Exchange difference	51	(18)
Provision for receivables impairment	(1,694)	(736)
Receivables written off during the year as uncollectible	542	4
Unused amounts reversed	(386)	-
At end of year	(2,565)	(1,078)

The carrying amounts of the Group’s trade and other receivables are denominated in the following currencies:

	2023 £'000	2022 £'000
UK pound sterling	117,619	37,568
Euros	15,675	10,006
US dollar	238,682	80,849
Canadian dollar	44,196	30,922
Australian dollar	14,006	4,323
Other currencies	13,642	2,218
	443,820	**165,886**

19 Contract assets and liabilities

The timing of revenue recognition, billings and cash collection results in contract assets (unbilled amounts) and customer advances and deposits (contract liabilities) on the Group's balance sheet. For services in which revenue is earned over time, amounts are billed in accordance with contractual terms, either at periodic intervals or upon achievement of contractual milestones. The timing of revenue recognition is measured in accordance with the progress of delivery on a contract which could either be in advance or in arrears of billing, resulting in either a contract asset or a contract liability.

Contracts in progress at the reporting date:

Contract assets	Restated £'000
At 1 November 2021	114,182
Currency translation differences	19,358
Transfers from contract assets recognised at the beginning of the year to receivables	(128,157)
Increase related to services provided in the year	35,345
At 31 October 2022	40,728
Currency translation differences	(2,223)
Transfers from contract assets recognised at the beginning of the year to receivables	(32,036)
Increase related to services provided in the year	28,478
At 31 October 2023	**34,947**

FY 2021 and FY 2022 have been restated as a result in the update to the revenue recognition accounting policy detailed in 2.6.2a. Contract assets at 1 November 2021 have increased from £108.0 million to £114.2 million and contract assets at 31 October 2022 have increased from £36.7 million to £40.7 million.

19 Contract assets and liabilities (continued)

	Restated
Contract liabilities	**£'000**
At 1 November 2021	(50,560)
Currency translation differences	(6,905)
Revenue recognised against contract liabilities at the beginning of the year	56,311
Increase due to cash received, excluding amounts recognised as revenue during the year	(31,520)
At 31 October 2022	(32,674)
Currency translation differences	1,704
Revenue recognised against contract liabilities at the beginning of the year	23,571
Increase due to cash received, excluding amounts recognised as revenue during the year	(178,578)
At 31 October 2023	**(185,977)**

FY 2021 and FY 2022 have been restated as a result in the update to the revenue recognition accounting policy detailed in 2.6.2a. Contract liabilities at 1 November 2021 have reduced from £95.5 million to £50.6 million and contract liabilities at 31 October 2022 have reduced from £119.7 million to £32.7 million.

20 Inventories

	2023	Restated 2022
	£'000	**£'000**
Work in progress	22,758	8,829
Spare parts	8,251	123
	31,009	**8,952**

Included within work in progress is £5.3 million relating to capitalised development costs (2022: £3.0 million).

FY 2022 has been restated as a result in the update to the revenue recognition accounting policy detailed in 2.6.2a. Work in progress has reduced from £99.9 million to £8.8 million as a result of the policy change.

21 Other current assets

	2023	2022
	£'000	**£'000**
Bonds	130,605	190,057
Short-term bank deposits	-	105,000
	130,605	**295,057**

In FY 2022 the Group invested £199.9 million into bonds which had a range of maturity dates but can be readily liquidated. The bonds are fair valued through the OCI. None of the bonds are considered to be level 1 in the fair value hierarchy. The bonds are fair valued using inputs (other than quoted prices) that are observable directly - i.e. all bonds are considered to be level 2 in the fair value hierarchy. The valuations are derived from third party financial institutions, using observable market data. The Group does not consider that any counterparties to the bonds have credit risk that materially impacts the calculated fair value of the instruments.

During the year bonds with a fair value of £60.8 million were derecognised being either redeemed at their expected maturity date and sold before their expected maturity date. For these bonds a fair value gain of £1.0million was recognised for the year FY 2023 in comparison to the fair value at FY 2022. This fair value gain was initially recognised in OCI as fair value gain which was then reclassified to profit or loss as realised gain as per the requirements of IFRS 9

The prior year fair value loss of £2.8 million that was recognised in the prior year OCI that is attributable to the bonds derecognised in the current year has been reclassified from reserves into current year profit or loss in accordance with the requirements of IFRS 9 for assets fair valued through the OCI that are then derecognised.

For the remaining bonds the Group has recognised a fair value gain of £4.3 million (2022: fair value loss of £13.8 million) in OCI.

The carrying amounts of the bonds are denominated in GBP.

Short-term bank deposits in FY 2022 represent monies placed with financial institutions that mature and were returned after 3 months from the balance sheet date, but within 12 months.

During the year the short-term bank deposits were returned to Group cash at their maturity. As at 31 October 2023 there are no short-term deposits that mature more than 3 months from the balance sheet date but within 12 months.

22 Cash and cash equivalents

	2023 £'000	2022 £'000
Cash at bank and in hand	324,391	230,648
	324,391	**230,648**

	2023 £'000	2022 £'000
Restricted cash	**5,306**	**4,546**

Restricted cash is included in cash at bank and in hand and is held at financial institutions and used as security for trade finance arrangements.

The maximum exposure to credit risks is the carrying amount of the financial assets.

23 Trade and other payables

	2023 £'000	2022 £'000
Trade payables	191,524	69,269
Value added tax	6,196	1,035
Other payables	4,475	2,010
Accruals	57,379	57,013
Trade and other payables	**259,574**	**129,327**

24 Borrowings

24.1 Borrowings

	2023 £'000	2022 £'000
Non-current		
Other borrowings	321	122
	321	**122**
Current		
Other borrowings	93	9
	93	**9**
Total borrowings	**414**	**131**

Borrowings incur finance charges, with a range of fixed rates or floating rates applied based on interest rate indices and margins levied by the lender. Average interest rate is 3.38% (2022: 3.38%).

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2023 £'000	2022 £'000
Euros	364	112
Other currencies	50	19
	414	**131**

24.2 Net debt and capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, sell assets to reduce debt or limit the amount of new project activity that is dependent on debt financing.

The Group monitors capital on the basis of its free cash flow.

25 Lease liabilities

Under IFRS 16 Leases, each lease within the scope of the standard must be recognised as a lease liability at the present value of future rental payments.

Analysed as the following discounted liabilities:

	2023 £'000	2022 £'000
Non-current		
Lease liabilities	16,026	15,807
Current		
Lease liabilities	9,312	8,395
Total lease liabilities	**25,338**	**24,202**

26 Provisions for liabilities

	Development and construction £'000
At 1 November 2021 (restated)	53,246
Additional provisions	11,077
Reversal of unused provisions	(2,118)
Utilised in the year	(39,570)
Foreign exchange differences on translation	9,251
At 1 November 2022 (restated)	31,886
Less: current portion (restated)	(30,298)
Non-current portion (restated)	**1,588**
At 1 November 2022 (restated)	31,886
Acquisition of subsidiaries	68
Additional provisions	11,330
Reversal of unused provisions	(2,153)
Utilised in the year	(24,406)
Foreign exchange differences on translation	(1,515)
At 31 October 2023	15,210
Less: current portion	(14,360)
Non-current portion	**850**

Development and construction provisions relate to the associated costs that exist in relation to potential liabilities at the reporting date. These liabilities arise from the Group's development and construction activities and includes onerous contracts and potential warranty costs. The Group make specific provisions on a contract by contract basis. While there is uncertainty in timing and value of such obligations being extinguished in the future, the Directors are satisfied that a material change to these specific provisions will not be required based on best available information.

FY 2021 and FY 2022 have been restated as a result in the update to the revenue recognition accounting policy detailed in 2.6.2a. Development and Construction provisions at 1 November 2021 have reduced from £53.9 million to £53.2 million and provisions at 31 October 2022 have increased from £30.5 million to £31.9 million.

27 Post-employment benefits

27.1 Defined benefit pension schemes

RES operates a defined benefit pension scheme which has been closed to new members since 2002. Benefits are based on pensionable pay. The date of the most recent comprehensive actuarial valuation was 31 October 2021. The pension cost relating to the scheme is assessed in accordance with the advice of an external, qualified actuary using the projected unit method.

The assumptions which have a significant effect on the results of the valuation are those relating to the rate of return on the investments and the rates of increases in salaries and pensions.

Both the pre-retirement and the post-retirement rate of return use the market-implied gilt yield curve plus 1.43% (at the valuation date), then linearly tapering down to a margin of 0.5% above the gilt yield curve by 2035. Salary increases are assumed to be in line with deferred revaluation increases, as the future salary increase assumption is lower than CPI. Statutory revaluation underpins these benefits. Pension increases are based on LPI Pension Increases curves derived from RPI, adjusted for the impact of the cap and floor and with an allowance for inflation volatility. The triennial actuarial valuation showed a net deficit of £151.2m, with the market value of the scheme's assets amounting to £530.9m which was sufficient to cover 78% of the benefits that had accrued to members at the valuation date. The scheme has been closed to new entrants since 2002 and closed to future accrual as at 1 November 2017.

The next formal actuarial valuation is due as at 31 October 2024.

RES shares the risks of the Scheme with Newarthill Group - an entity under common control. The pension scheme trustees are ultimately responsible for the governance of the plan including how plan assets are invested and the scheme is funded.

The Scheme's deficit is shared with Newarthill whereby Newarthill recognises 90% of the costs and liabilities of the Scheme and RES recognises 10%. This note discloses both the full liability and RES' 10% share which is recognised in the statement of financial position.

During the prior year RES paid a special contribution of £21 million to the Scheme under a distribution sharing agreement as well as a further contribution in the current year of £34 million to the Scheme. As these contributions are more than RES' share of the total remaining deficit recovery contributions payable under the recovery plan, RES is not liable for any further contributions under the plan and as such the value of RES' minimum funding requirement is nil in the scheme under IAS 19. Any subsequent contributions that are paid are voluntary rather than those compelled under the Schedule of Contributions.

The table below outlines where the Group's defined benefit pension scheme related amounts and activity are included in the financial statements.

	2023 £'000	2022 £'000
Liability in the statement of financial position	5,110	7,840
Included in income statement within:		
- Administrative expenses	100	90
- Finance charges	2,000	1,110
- Finance income	(2,000)	(970)
	100	230

	2023 £'000	2022 £'000
Included in other comprehensive income:		
Remeasurements of defined benefit pension scheme:		
- Gains and losses arising from changes in demographic assumptions	(1,100)	490
- Gains and losses arising from changes in financial assumptions	(4,100)	(22,020)
- Gains and losses arising from experience adjustments	700	2,510
- Return on plan assets excluding finance income	3,070	20,400
- Remeasurement of plan assets allocated to the Group	34,300	18,864
- Gains and losses on asset ceiling	-	(5,370)
	32,870	14,874

The income statement charge includes net interest cost and scheme administrative expenses.

The company's subsidiary, Renewable Energy Systems Limited participates in the defined benefits section of the Sir Robert McAlpine Limited Staff Pension and Life Assurance Scheme ("the Scheme").

As disclosed in note 2.7.4 (b), the Group's agreed share of the total defined benefit obligation of the scheme is 10%. The defined benefit that the members of the scheme receive is based on a member's pensionable salary and the length of time they have been in the Scheme. Pensionable Salary is linked to actual salary, excluding any annual salary increases after 2006.

The total value of the scheme obligations and assets are as follows:

	2023 £'000	2022 £'000
Present value of funded obligations	373,300	423,300
Fair value of plan assets	(322,200)	(344,900)
Total deficit of defined benefit pension plans	**51,100**	**78,400**

27 Post-employment benefits (continued)

The following amounts represent the Group's 10% share of the associated amounts in relation to the scheme.

The amounts recognised in the statement of financial position are determined as follows:

	2023 £'000	2022 £'000
Present value of funded obligations	37,330	42,330
Fair value of plan assets	(32,220)	(34,490)
Liability in the statement of financial position- total deficit of defined benefit pension plans	**5,110**	**7,840**

The movement in the defined benefit liability over the year is as follows:

	Present value of obligation £'000	Fair value of plan assets £'000	Total £'000
At 1 November 2022	42,330	(34,490)	7,840
Administration cost	-	100	100
Interest expense/(income)	2,000	(2,000)	-
Remeasurements:			
- Return on plan assets, excluding amounts included in interest expense	-	3,070	3,070
- Gain from change in financial assumptions	(4,100)	-	(4,100)
- Gain from change demographic assumptions	(1,100)	-	(1,100)
- Remeasurement of plan assets allocated to the Group	-	34,300	34,300
- Loss from change in experience assumptions	700	-	700
Contributions:			
- Employers	-	(35,700)	(35,700)
- Benefit payments from plans	(2,500)	2,500	-
At 31 October 2023	**37,330**	**(32,220)**	**5,110**

	Present value of obligation £'000	Fair value of plan assets £'000	Total £'000
At 1 November 2021	68,570	(53,330)	15,240
Administration cost	-	90	90
Interest expense/(income)	1,110	(970)	140
Remeasurements:			
- Return on plan assets, excluding amounts included in interest expense	-	20,400	20,400
- Gain from change in financial assumptions	(22,020)	-	(22,020)
- Loss from change demographic assumptions	490	-	490
- Remeasurement of plan assets allocated to the Group	-	18,864	18,864
- Loss from change in experience assumptions	2,510	-	2,510
- OCI gain on asset ceiling	(5,370)	-	(5,370)
Contributions:			
- Employers	-	(22,504)	(22,504)
- Benefit payments from plans	(2,960)	2,960	-
At 31 October 2022	**42,330**	**(34,490)**	**7,840**

	2023	2022
The fair value of plan assets comprises the following types of assets:		
- Equities	20.0%	15.2%
- Bonds (corporate and government gilts)	11.2%	13.7%
- Cash	5.3%	14.8%
- Derivatives (includes swap derivatives used to manage risk on gilt exposure)	41.5%	29.4%
- Other	22.0%	26.9%
At 31 October	**100.0%**	**100.0%**

27 Post-employment benefits (continued)

The significant actuarial assumptions were as follows:

	2023	2022
Discount rate	5.70%	4.80%
Inflation - RPI	3.15%	3.05%
Inflation - CPI	2.35%	2.15%
Pension growth rate	2.35%	2.15%

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 63:

	2023	2022
Retiring at the end of the reporting period:		
- Male	21.4	24.1
- Female	23	25.6
Retiring 20 years after the end of the reporting period		
- Male	22.2	25
- Female	24.8	27.4

Through its defined benefit pension plans and post-employment medical plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility	The Scheme liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit. The Scheme holds a significant proportion of equities, which are expected to outperform corporate bonds in the long term while providing volatility and risk in the short term.
	As the Scheme matures, the Trustees intend to reduce the level of investment risk by investing more in assets that better match the liabilities. However, the Trustees believe that due to the long-term nature of the plan liabilities and the strength of the supporting RES and SRM groups, a level of continuing equity investment is an appropriate element of the group's long-term strategy to manage the plans efficiently.
Changes in bond yields	A decrease in corporate yields will increase Scheme liabilities, although this will be partially offset by an increase in the value of the Scheme's bond asset holdings.
Inflation risk	Some of the group pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The majority of the plan's assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.
Life expectancy	The majority of the plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant in the UK plan, where inflationary increases result in higher sensitivity to changes in life expectancy.

Sensitivity Analysis

At the reporting date, reasonable possible changes to one of the relevant actuarial assumptions, with the other assumptions held constant, would have affected RES' recognised defined benefit obligation by the amounts shown below.

	2023 £'000
Discount rate +0.50%	(2,000)
Inflation (RPI and CPI) + 0.50%	800
RPI +0.10%	-
CPI +0.10%	100
Mortality	1,200

The change to the inflation sensitivity allow for changes to pension increases in deferment and in payment. Although the analysis does not take account of the full distribution of cash flows expected, it does provide an approximation of the sensitivity of the assumptions shown.

Expected contributions to the Scheme by the RES group for the year ending 31 October 2024 are £nil.

27 Post-employment benefits (continued)

27.2 Defined contribution pension schemes

Renewable Energy Systems Limited is the contributing employer of the defined contribution section of the Scheme, whereby employee contributions are matched by company contributions. During the year the Group contributions amounted to £1,405,227 (2022: £1,849,000) and were expensed. At the year-end there were £263,425 (2022: £83,000) contributions payable by the Group.

The Group's overseas subsidiaries also operate local defined contribution schemes, whereby employee contributions are matched by company contributions. During the year the Group contributions amounted to £5,471,836 (2022: £4,499,000) and were expensed. At the year-end there were £215,580 (2022: £199,000) contributions payable by the Group.

28 Share capital

	2023 £'000	2022 £'000
Called up, issued and fully paid:		
57,891,811 ordinary shares of £1 each	57,891	57,891
6,000,000 A ordinary shares of £0.0001 each	1	1
	57,892	**57,892**

Ordinary shares have attached to them full rights in respect of voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

A ordinary shares have attached to them dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption or voting rights.

29 Dividends per share

In the current year total dividends of £1,700,000 were paid to the shareholders (2022: £80,571,800). This results in a dividend of £0.28 per A ordinary share and £nil per Ordinary share (2022: £0.77 per ordinary share and £5.84 per A Ordinary share). A dividend of £6,320,000 has been declared post year end. This resulted in a dividend of £0.08 per ordinary share and £0.27 per A Ordinary share.

30 Business combinations and acquisitions

On 1st March 2023 the Group acquired 100% of the share capital of Integral Management Future Renewables S.L (IM Future) and on 21st March 2023 the Group acquired 100% of the share capital of Anemo Analytics ApS (Anemo). These acquisitions are in line with the Group's objectives to grow the Support Services business.

IM Future is a service provider with 180 employees specialising in the maintenance, operation, and management of renewable energy assets, especially those producing energy from wind. As of the acquisition date, the Company was operating in Spain, Portugal, France and (via a joint venture called Imecocel) in the UK. In 2021 IM Future provided Operations & Maintenance (O&M) services for 1,352 MW in Spain, 30 MW in France and 56 MW in Portugal.

Founded in 2016, Anemo is a Danish technology and engineering company which offers sophisticated wind turbine analytics solutions that enable improved monitoring and optimisation of assets. Its clients include wind farm asset owners, operators and investors both onshore & offshore and across Original Equipment Manufacturer brands including RWE, Orsted and EDF.

The consideration transferred exceeded IM Future's net assets, thus generating goodwill of £1,850,000. The consideration transferred for Anemo also exceeded their net assets, generating goodwill of £2,124,000. See calculations below:

Consideration transferred:	IM Future £'000	Anemo £'000
Cash consideration	13,580	2,210
Deferred consideration	-	3,734
Total consideration:	**13,580**	**5,944**
Less net assets acquired	(9,175)	(421)
Less identified intangibles	(3,407)	(4,358)
Add deferred tax on identified intangibles	852	959
Goodwill acquired	**1,850**	**2,124**

Deferred consideration relating to the acquisition of Anemo will be settled by 2027.

30 Business combinations and acquisitions (continued)

The identified intangibles relates to customer relationships within IM Future at the date of acquisition and customer relationships, technology software and know-how within Anemo. The amounts shown above reflect the fair value of these assets.

The table below shows the assets and liabilities included within the net assets acquired. These amounts are equal to their fair value:

	IM Future £'000	Anemo £'000
Non-current assets		
Property, plant and equipment	141	4
Equity investments	2,163	-
Other non-current assets	11	6
Current assets		
Trade and other receivables	3,945	353
Inventory	2,996	-
Other current assets	54	-
Cash and cash equivalents	1,625	189
Current liabilities		
Trade and other payables	(1,456)	(43)
Current income tax liabilities	-	(48)
Borrowings	(61)	(40)
Other current liabilities	(13)	-
Non-current liabilities		
Borrowings	(163)	-
Other non-current liabilities	(68)	-
Net assets	**9,174**	**421**

IM Future

In addition to ongoing revenue under existing Operation and Management Agreements (OMAs), the group believes that additional future revenue can be generated from the key customer relationships obtained via this acquisition, through further chargeable services work and new Operation and Management contracts for other assets owned by these key customers. These acquired relationships are represented by identified intangibles of £3.4 million and goodwill of £1.9 million as calculated above, which was not expected to be deductible for tax purposes.

Anemo

In addition to ongoing revenue under existing customer contracts, the group believes that additional future revenue can be generated from the key customer relationships obtained via these acquisitions through further chargeable services work. These acquired relationships along with technology based softwarre and know-how gained by the acquisition is represented by identified intangibles of £4.4 million and goodwill of £2.1 million as calculated above, which was not expected to be deductible for tax purposes.

For the period between their acquisition dates to 31 October 2023 the results of IM Future and Anemo were as follows:

	IM Future £'000	Anemo £'000
Revenue	9,155	532
Profit/(loss) for the period	656	(236)

For the year from 1 November 2022 to 31 October 2023 the results of IM Future and Anemo were as follows:

	IM Future £'000	Anemo £'000
Revenue	13,721	958
Profit/(loss) for the period	1,066	(1)

31 Cash generated / (absorbed) by operations

	2023 £'000	Restated 2022 £'000
Continuing profit / (loss) before income tax	5,875	(25,734)
Adjustments for:		-
– Depreciation and impairment of property, plant and equipment (note 12)	8,733	6,324
– Depreciation of right of use asset (note 13)	7,225	6,694
– Impairment of right of use asset (note 13)	16	82
– Amortisation of intangible assets (note 14)	1,069	323
– Impairment of intangible assets (note 14)	254	50
– Profit on sale of property, plant and equipment (excluding assets under course of construction)	(1,372)	(693)
– Fair value losses / (gains) on derivative financial instruments (note 8)	24	1,057
– Other gains and losses	(477)	(1,982)
– Net finance costs (note 10)	(14,475)	(26,666)
– Share of after tax profit of joint ventures and associates accounted for using the equity method and gain on disposal of joint ventures and associates	(679)	(416)
– Impairment of associates & JVs	1,022	-
– Unrealised foreign exchange gains and losses on operating activities	(2,620)	153
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):		
– Inventories	(19,089)	4,904
– Trade and other receivables (including contract assets)	(188,298)	61,163
– Trade and other payables (including contract liabilities)	282,109	(46,097)
– Accruals and deferred income	-	(1,095)
– Provisions (relating to operations)	(16,285)	(21,361)
– Contributions to defined benefit pension scheme	(35,700)	(22,504)
– Other (relating to operations)	(564)	737
Cash generated / (absorbed) by operations	**26,768**	**(65,061)**

FY 2022 balances have been restated as a result in the update to the revenue recognition accounting policy detailed in 2.6.2a. Continuing loss before income tax has increased by £0.7 million. Inventories movement has increased by £38.4 million, Trade and other receivables movement has increased £2.4 million, trade and other payables movement has increased £42.0 million and provisions movement has reduced by £2.0 million.

32 Financial instruments

32.1 Financial instruments by category

	31 October 2023		
	Amortised cost £'000	Fair value through OCI £'000	Total £'000
Assets as per statement of financial position			
Equity investments	-	9,849	9,849
Other current assets	-	130,605	130,605
Trade and other receivables excluding non-financial assets	446,987	-	446,987
Cash and cash equivalents	324,391	-	324,391
Total	**771,378**	**140,454**	**911,832**
Liabilities as per statement of financial position			
Borrowings	(414)	-	(414)
Trade and other payables excluding non-financial liabilities	(195,999)	-	(195,999)
Total	**(196,413)**	**-**	**(196,413)**

32 Financial instruments (continued)

	31 October 2022			
	Amortised cost £'000	Derivatives Fair value through P&L £'000	Fair value through OCI £'000	Total £'000
Assets as per statement of financial position				
Equity investments	-	-	11,905	11,905
Other current assets	-	-	295,057	295,057
Trade and other receivables excluding non-financial assets	148,935	-	-	148,935
Cash and cash equivalents	230,648	-	-	230,648
Total	**379,583**	**-**	**306,962**	**686,545**
Liabilities as per statement of financial position				
Borrowings	(131)	-	-	(131)
Derivative financial instruments	-	(227)	-	(227)
Trade and other payables excluding non-financial liabilities	(71,279)	-	-	(71,279)
Total	**(71,410)**	**(227)**	**-**	**(71,637)**

32.2 Reconciliation of liabilities arising from financing activities

	At 31 October 2022 £'000	Changes in foreign exchange rates £'000	Financing cash flows £'000	Changes in fair values of derivatives or other changes £'000	Changes arising from obtaining or losing control of subsidiaries or other businesses £'000	At 31 October 2023 £'000
Non-current borrowings	(127)	3	2	-	(199)	(321)
Current borrowings	(9)	-	-	-	(84)	(93)
Derivative financial instruments	(227)	-	227	-	-	-
Total	(363)	3	229	-	(283)	(414)

32.3 Offsetting financial assets and financial liabilities

Cash and cash equivalents presented in the statement of financial position and statement of cash flows have been presented on a net basis, only where offset by bank accounts in an overdraft position with the same counterparty financial institution and where the accounts are subject to master netting arrangements in accordance with the conditions for netting specified in IAS 32 'Financial Instruments Presentation'.

32.4 Financial risk management

The Group's activities expose it to a number of financial risks, discussed below. The Group's overall risk management programme seeks to monitor and minimise the potential adverse effects on the Group's financial performance.

The Board of Directors has approved policies and written principles governing the use of derivative financial instruments as a means to mitigate against financial risks, which includes the directive that derivatives should not be used for speculative purposes. The Group Executive Committee oversees the operations of treasury and finance personnel, who are primarily responsible for carrying out day-to-day processes and controls, in line with policies approved by the Board and / or the Group Executive Committee, over financial risks.

32.4.1 Foreign exchange risks

The Group operates internationally, and has significant subsidiaries and operating teams in each of the key geographical territories in which the Group operates. These subsidiaries transact the majority of business in the local currency of the territory. Accordingly, foreign exchange risks at a functional currency level are contained. The principal foreign exchange risk facing the Group is in the translation of the results and financial position of overseas territories, with the impact of foreign exchange differences being reported in equity as cumulative translation differences. The principal overseas territories with functional currencies that differ from the Group's presentation currency, and hence give rise to potential translation risks, are in the Eurozone countries and the USA. Where practical, the Group uses foreign currency assets and liabilities to provide a natural hedge against the Group's net investment in foreign operations, to mitigate translation differences. Where potential significant exchange risk arises within a major business unit, due to exposures to non-functional currency transactions and balances, forward foreign exchange derivatives are considered and/or used to mitigate the risks.

The carrying amounts of equity investments, trade and other receivables, bonds and borrowings which are denominated in major functional currencies used by Group subsidiaries is set out in notes 15, 18, 21 and 24 respectively.

For the reasons described above, the Group considers that there is a limited impact on profit or loss of reasonably possible changes in exchange rates. However, the impact on net assets / equity of the Group of changes in the principal non-sterling currencies to which the Group is exposed would have been as set out below. Changes presented are in isolation for the individual factor described with all other variables held constant.

32 Financial instruments (continued)

	(Decrease) / increase in reported net assets / equity 2023 £'000	2022 £'000
US dollar 10% stronger against sterling	(692)	501
US dollar 10% weaker against sterling	566	(410)
Euro 10% stronger against sterling	(1,616)	(2,563)
Euro 10% weaker against sterling	1,322	2,097

Given the volatility of sterling against other major currencies a 10% variance in currency values is reasonably possible in the opinion of the Group.

32.4.2 Interest rate risk

The Group's exposure to interest rate risk predominantly arises on the items described below. Due to the prevailing economic conditions and size of the Group's borrowings, there is only a limited, immaterial impact on interest income that might be earned on cash and cash equivalents' balances.

- long-term borrowings. The Group's policy is to actively manage interest rate risks on long-term borrowings. This is achieved by having a mix of borrowings at both fixed and variable rates, and through the consideration and use of interest rate swaps. Refer also to note 24 (borrowings).

- pension scheme deficits, as changes in the yield of investment grade corporate bonds will impact the discount rate on which defined benefit pension scheme liabilities are calculated, and on the net interest charge arising on the net deficit. Refer also to note 27 (post-employment benefits).

32.4.3 Credit risk

Credit risk is predominantly managed by regional management in each of the major territories in which the Group operates, within the boundaries of overall Group policies. Each territory is responsible for managing credit risks arising on major contracts with customers and resulting amounts recoverable under contracts, accrued income and trade receivables. Monitoring of contract performance, including payments of amounts due by customers, occurs on a regular basis. The Group has a low credit risk concentration due to having a small number of debtors with high value balances, which allows the Group to assess credit risk individually.

Credit risk also arises from exposure to counterparty financial institutions holding the Group's cash and cash equivalents, and issuers of derivative financial instruments. The Board sets guidelines and approves major banking arrangements of the Group, and only contracts with established financial institutions of good regulatory standing and repute and strong credit ratings based on credible credit rating agencies.

Information about exposures to credit risk is set out in the notes supporting all the material financial assets of the Group.

32.4.4 Liquidity risk

Cash flow forecasting and reporting is performed at multiple levels in the Group organisation structure on a regular basis.

Cash forecasting and performance is an integral part of all contracting activities of the Group, and is a key determinant in commercial contract appraisal and performance. Together with generation and other activities, these are aggregated on a regional and divisional level, and ultimately aggregated for the Group as whole.

Senior finance personnel are closely involved in reviewing and monitoring cash flows, and the Group's borrowings and short, medium and longer-term financing needs to ensure that cash flows are adequate to meet the Group's requirements, and the terms of finance facility covenants are monitored and reported. The Board reviews and approves annual cash flow forecasts, and receives regular reports from the senior finance team.

The maturity profile of the Group's financial liabilities at the reporting date to the contractual maturity date is set out in the table below.

	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
Borrowings	(93)	(321)	-	-
Trade and other financial liabilities	(195,999)	-	-	-
31 October 2023	**(196,092)**	**(321)**	**-**	**-**
Borrowings	(9)	(122)	-	-
Derivative financial instruments	(227)	-	-	-
Trade and other financial liabilities	(71,279)	-	-	-
31 October 2022	**(71,515)**	**(122)**	**-**	**-**

32 Financial instruments (continued)

32.4.5 Price risk

The Group's contracting operations, in particular for EPC contracts, expose the Group to price risk due to the longer-term nature of these contracts. The Group manages the risk through inclusion of appropriate escalation and price indexation for its contract revenues where possible, but is also exposed to similar price variability from its suppliers under contracts. The principal risk arises with turbines under EPC arrangements which are the single largest cost in the construction project.

Financial guarantees and performance guarantees are sought by the Group from suppliers for any significant milestone payments made by the Group to suppliers ahead of fulfilment of all obligations by suppliers, in particular for turbine supply contracts.

Equity securities price risk also exists in relation to the fair value of defined benefit scheme pension assets, given contractual agreements with other common controlled entities relating to the sharing of obligations for a scheme for which subsidiaries of the Group are participating employers. Further details are set out in note 27 (post-employment benefits).

33 Contingent liabilities

There were contingent liabilities in respect of guarantees and ordinary contract performance bonds given on construction, development, operations and maintenance activities and asset management activities in the normal course of business. The Group does not expect these to result in material costs in the future.

There is an unresolved tax inspection that may result in a contingent liability.

There is a contingent liability in relation to the Groups' share of the defined benefit pension scheme obligation as disclosed within note 2.7.4 (b). The total scheme assets and liabilities are disclosed in note 27.

34 Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	2023 £'000	2022 £'000
Construction costs contracted for but not provided for on wind and storage projects	**12,352**	71,989
Amounts related to Property, Plant and Equipment	**1,163**	-
	13,515	71,989

The Group finances capital commitments either by limited recourse bank loans drawn by the relevant subsidiary company undertaking construction, or via self-financing from available working capital facilities of the Group.

(b) Lease commitments accounted for under IFRS 16 paragraph 6: leases with a term below 12 months and an asset value below £3,500 – group as lessee

The future aggregate (i.e. for the whole term of the lease) minimum lease payments under non-cancellable operating leases are as follows:

	Lease commitment	
	2023 £'000	2022 £'000
Future minimum lease payments:		
One year or less	528	61
Between one and two years	40	14
Between two and five years	72	14
In five years or more	-	6
	640	**95**

Cash payments during the year in respect of low value asset leases and short-life leases totalled £2,246,000.

(c) Gross lease commitments under finance leases

Maturity Analysis

Amounts below are gross lease payables including interest	2023 £'000
Due within 1 year	8,201
Due within 2-5 years	13,150
Due in over 5 years	7,229
	28,580

35 Related parties

The Group is controlled by its immediate and ultimate parent and controlling party, The McAlpine Partnership Trust (incorporated in the UK), which owns 100% of the company's ordinary shares. There were no transactions or balances with the ultimate parent, other than dividends as disclosed in note 29, in the current year.

The Group's related parties include:
- its associates, the identities of which are set out in the accompanying separate financial statements of the parent in note 12 - "A - associates";
- pension schemes in which the Group is a participating employer, as set out in note 28 above - "B - pension schemes";
- entities subject to common control by the ultimate parent. These principally include the sub-group headed by Newarthill Limited, which includes the Sir Robert McAlpine construction group of companies and Innagreen Limited, which are owned by the same shareholders as the parent of the RES Group - "C - Common control";
- the key management personnel including the directors of the Group, together with their close family members - "D - key management personnel"; and
- its joint ventures, the identities of which are set out in the accompanying separate accounts of the parent in note 12 - "E - joint ventures".

Transactions and balances with subsidiaries that are eliminated on consolidation in these consolidated financial statements are not disclosed. The identities of subsidiaries included in the consolidated financial statements of the Group are set out in note 12 of the accompanying separate Company financial statements.

The disclosures below augment other disclosures which include reference to related parties in various other notes to these consolidated financial statements.

(a) The following transactions were carried out with related parties:

	2023				
	A - associates £'000	B - pension Schemes £'000	C - Common control £'000	D - key management personnel £'000	E - joint ventures £'000
Management charges	-	-	4,206	-	-
Impairment of loans receivable by the group	-	-	-	-	639

	2022				
	A - associates £'000	B - pension Schemes £'000	C - Common control £'000	D - key management personnel £'000	E - joint ventures £'000
Management charges	-	-	4,563	-	-

(b) Year-end balances arising from transactions with related parties:

	2023				
	A - associates £'000	B - pension Schemes £'000	C - Common control £'000	D - key management personnel £'000	E - joint ventures £'000
Trade and other receivables	-	-	88,200	-	-

The balance of trade and other receivables for "C - Sir Robert McAlpine Group" include amounts advanced to an entity under the common control of The McAlpine Partnership Trust (incorporated in the UK) in the year. The loans bear interest between 2% and 4% above the relevant base rate and have repayment dates up to 2026 and 2032.

	2022				
	A - associates £'000	B - pension Schemes £'000	C - Common control £'000	D - key management personnel £'000	E - joint ventures £'000
Trade and other receivables	-	-	4,451	-	-

All receivables and payables with related parties of the Group are transacted on an arm's length basis on normal commercial terms and conditions.

35 Related parties (continued)

(c) Key management compensation

Key management personnel of the Group are considered to be both Directors of Renewable Energy Systems Holdings Limited and members of the Group Executive Board. This include a number of senior executives who direct or control major parts of the Group's operations, including personnel in major overseas territories. Their emoluments are disclosed below:

	2023 £'000	2022 £'000
Short-term employee benefits	3,865	3,443
Post employment benefits, including contributions to pension schemes	56	38
Other long-term incentive benefits vesting in the year	788	646
	4,709	**4,127**

Directors' remuneration of the Company is disclosed in the accompanying separate financial statements of the parent company.

36 Subsidiary audit exemption

The following subsidiaries are exempt from the requirements of the UK Companies Act 2006 relating to the audit of individual financial statements by virtue of s479A of the Act:

Company name	Country of incorporation	UK company registration number	Liabilities at reporting date £'000
RES UK & Ireland Limited	UK	04913493	1,045
Sarcon (No. 999) Limited	UK	NI654703	-
Blary Hill Land Limited	UK	12251870	821
Kingston Solar Limited	UK	12255169	-

The outstanding liabilities at the reporting date of the named subsidiaries have been guaranteed pursuant to s479A to s479C of the Act. The directors believe the possibility of the guarantee being called upon is remote.

37 Events after the reporting period

On 1 March 2024 RES completed the acquisition of Ingeteam S.A.'s renewable O&M services division for initial consideration of EUR 82.3 million (£70.4 million at the March 2024 GBP:EUR rate 1:1.1685). The agreement expands RES' operations to 24 markets and makes it the world's largest independent provider of renewable energy services. The total consideration payable and fair value of the net assets and liabilities acquired are not yet determined due to the proximity of the acquisition to the Group's year end and the acquisition completion accounts exercise has not been finalised.

Post year end the group purchased a property development company from a related party of the shareholder for total consideration of £64.9 million in April 2024. The group also provided additional loans to related parties totalling £20 million in January 2024 and received proceeds totalling £39.9 million from related party loans which were cancelled and repaid in March 2024.

In addition the Group also purchased an investment management company from a related party of the shareholder for total consideration of £70.9 million in April 2024.

Renewable Energy Systems Holdings Limited
Company balance sheet
As at 31 October 2023

Registration number: 04913497

	Notes	2023 £'000	2022 £'000
Non-current assets			
Investments in subsidiaries	6	57,224	57,224
Trade and other receivables	7	4,487	5,732
		61,711	**62,956**
Current assets			
Cash and cash equivalents		8	8
Net current assets		**8**	**8**
Total assets less current liabilities		**61,719**	**62,964**
Net assets		**61,719**	**62,964**
Equity			
Ordinary shares	8	57,892	57,892
Capital redemption reserve		2,109	2,109
Retained earnings		1,718	2,963
Total shareholders' funds		**61,719**	**62,964**

The reserves' movements in the parent company were a profit of £455,000 (2022: £77,912,000) and a dividend paid of £1,699,452 (2022: £80,571,800). As permitted by Section 408 of the Companies Act 2006, no profit and loss of the parent company is presented.

The notes on pages 76 to 85 are an integral part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 3 July 2024. They were signed on its behalf by:

[redacted]

Director
03 July 2024

Renewable Energy Systems Holdings Limited
Company statement of changes in equity
Year Ended 31 October 2023

		Share capital £'000	Capital redemption reserve £'000	Retained earnings £'000	Total £'000
Balance at 1 November 2021		**57,892**	**2,109**	**5,623**	**65,624**
Profit for the year		-	-	77,912	**77,912**
Total comprehensive income for the year		**-**	**-**	**77,912**	**77,912**
Transactions attributable to owners					
Dividend paid		-	-	(80,572)	**(80,572)**
Total transactions attributable to owners		**-**	**-**	**(80,572)**	**(80,572)**
Balance at 31 October 2022		**57,892**	**2,109**	**2,963**	**62,964**
Profit for the year		-	-	455	**455**
Total comprehensive income for the year		**-**	**-**	**455**	**455**
Transactions attributable to owners					
Dividend paid	9	-	-	(1,700)	**(1,700)**
Total transactions attributable to owners		**-**	**-**	**(1,700)**	**(1,700)**
Balance at 31 October 2023		**57,892**	**2,109**	**1,718**	**61,719**

1 General information

Renewable Energy Systems Holdings Limited ('the Company') is a private company limited by shares, incorporated and domiciled in the UK. The address of its registered office is Beaufort Court, Egg Farm Lane, Kings Langley, Hertfordshire, WD4 8LR.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Renewable Energy Systems Holdings Limited have been prepared on the going concern basis and in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006. The financial statements are presented in pounds sterling.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
- paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1, 'Presentation of financial statements':
- 38A (requirement for minimum of two primary statements, including cash flow statements);
- 38B-D (additional comparative information);
- 40A-D (requirements for a third statement of financial position);
- 134-136 (capital management disclosures);
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transaction entered into between two or more members of a group; and
- IAS 7, 'Statement of Cash flows'.

New standards, amendments and interpretations adopted by the company

No amendments or interpretations effective for the first time for the financial year beginning on or after 1 November 2022 have had a material impact on the parent company.

Going concern

At the year end the Company had cash of £8,000 (2022: £8,000) and no borrowings. The Company operates as the ultimate parent of the RES Group and operates as a holding company only with no trading activities. The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report and Directors' Report. The financial position of the company is linked to the financial performance of the Group, which is set out in the consolidated statement of financial position and the accompanying notes to the financial statements. The Group's cash and borrowings positions are set out in the Strategic Report and notes 22, 24 and 32 to the consolidated financial statements. A description of the Group's financial risks is also set out in note 32 to the consolidated financial statements.

Having assessed the principal risks, the Directors believe that the Company will be able to continue to manage its business risks successfully. The Directors have therefore considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements of the parent company.

2 Summary of significant accounting policies (continued)

2.2 Trade and other receivables

Trade and other receivables are amounts due from group undertakings.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.3 Investments

An undertaking is regarded as a subsidiary undertaking if the Company has control over its operating and financial policies. Investments in subsidiary undertakings that are directly owned by the parent company are stated at cost less amounts written-off for any permanent diminution in value.

2.4 Taxation

Current income tax
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the Balance Sheet date.

Deferred income tax
Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

• Where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss;

• In respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and

• Only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

2.5 Dividend distribution

Dividend distribution to the company’s shareholders is recognised as a liability in the Company’s financial statements in the period in which the dividends are approved.

3 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the financial year. However, the nature of estimation means that actual outcomes could differ from those estimates.

3.1 Summary of significant accounting judgements and key accounting estimates

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

Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

The most critical accounting judgements and estimates in determining the financial condition and results of the company are those requiring a greater degree of subjective or complete judgement. The following estimate has had the most significant effect on amounts recognised in the financial statements. There are no critical accounting judgements in the process of applying the Company's accounting policies.

3.1.1 Investments (estimate)

Investments in subsidiaries are stated at cost less provisions for any diminution in value. The value of the investment is assessed annually for any indicators of impairment such as a decline in performance of the subsidiary, which is a significant estimate as it is based on future forecasted profits. The carrying amount is £57,224,000 (2022: £57,224,000).

4 Profit and loss

The Company's profit for the year was £455,000 (2022: £77,912,000). Included in profit in the prior year were dividends received of £79,000,000 which were recognised when the right to receive payment were established.

5 Directors' remuneration

Remuneration of the Directors of the Company:

	2023 £'000	2022 £'000
Emoluments	3,415	3,018
Pension contributions	56	38
	3,471	**3,056**

In 2023, in addition to the above, entitlement for four directors under long-term incentive plans was £625,000 (2022: £436,000 for five directors).

Three directors received pension contributions in the current year compared to two directors in the prior year.

Remuneration of the highest paid Director:

	2023 £'000	2022 £'000
Emoluments	685	797
Pension contributions	16	-
	701	**797**

In 2023, in addition to the above, entitlement of the highest paid Director under long-term incentive plans was £54,000 (2022: £Nil).

None of the Directors of the Company are remunerated by the Company. All Directors are remunerated by subsidiaries of the Company.

There are no employees other than the directors of the Company in both the current and prior year.

6 Investments

	2023 £'000	2022 £'000
Investments		
At 31 October	**57,224**	**57,224**

7 Trade and other receivables

	2023 £'000	2022 £'000
Amounts owed by group undertakings		
At 31 October	4,487	5,732

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. However, they are not expected to be repaid within twelve months.

8 Share capital and premium

	2023	**2022**
	£'000	**£'000**
Called up, issued and fully paid:		
57,891,811 ordinary shares of £1 each	57,891	57,891
6,000,000 A ordinary shares of £0.0001 each	1	1
At 31 October	**57,892**	**57,892**

Ordinary shares have attached to them full rights in respect of voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

A ordinary shares have attached to them dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption or voting rights.

9 Dividends per share

In the current year total dividends of £1,700,000 were paid to the shareholders (2022: £80,571,800). This results in a dividend of £0.28 per A ordinary share and £nil per Ordinary share (2022: £0.77 per ordinary share and £5.84 per A Ordinary share). A dividend of £6,320,000 has been declared post year end. This resulted in a dividend of £0.08 per ordinary share and £0.27 per A Ordinary share.

10 Controlling parties

The Group is controlled by and its ultimate parent and controlling party is The McAlpine Partnership Trust (incorporated in the UK), which owns 100% of the company's shares.

11 Events after the reporting period

In June 2024 a dividend of £105,000,000 was declared in favour of the Company by a wholly owned subsidiary. Other significant post year-end events are detailed in the Group accounts, Note 37.

12 Group undertakings

The following represent the subsidiaries as at 31 October 2023, the majority of which are involved in the development and construction of wind, solar, green hydrogen and battery storage projects or the production and sale of wind-generated electricity.

The proportion of voting rights held by the Group is the same as the proportion of shares held. If RES owns more than 51% of the share capital, and RES is considered to be the controlling parent, the entity has been consolidated.

The registered office addresses are defined as:

(1) Beaufort Court, Egg Farm Lane, Kings Langley, Hertfordshire, WD4 8LR
(2) Unit C1 & C2, Willowbank Business Park, Millbrook, Larne, BT40 2SF
(3) Level 4, Deutsche Bank Place, 126-130 Phillip Street, Sydney, NSW 2000
(4) 5605 Avenue de Gaspé, Suite 508, Montreal, Quebec, H2T 2A4
(5) 115 rue du Mourelet, Z.I. de Courtine, 8400, Avignon
(6) 6th Floor, 2 Grand Canal Square, Dublin, Ireland
(7) Wergelandsveien 23B, 0167, Oslo, Norway
(8) 1209 Orange Street, Wilmington, DE, 19801
(9) Cumhuriyet Caddesi, Pegasus Evi: 48/1 Elmadag, Sisli, 34367, Istanbul
(10) 102-1015 Wilkes Avenue, Winnipeg, Manitoba R3P 2R8
(11) Unit 3 Ballyheerin, Kilmacrennan, Letterkenny, Co.Donegal
(12) Level 1, Tower Building, 50 Customhouse Quay, Wellington, New Zealand
(13) Mazars House, Rialto Road, Grand Moorings Precinct, Century City, 7441 South Africa
(14) 2 Grand Canal Square, Dublin 2 Ireland
(15) Via San Marino 12, 00198, Roma, Italy
(16) Republic of Chile
(17) 421-7th Avenue SW, Suite 4000, Calgary, Alberta T2P 4K9
(18) 44 Chipman Hill, Suite 1000, Saint John, New Brunswickm E2L 2A9
(19) 199 Bay Street, Suite 4000, Commerce Court West, Toronto, Ontario M5L 1A9
(20) 1959 Upper Water Street, Suite 9000, Halifax, Nova Scotia B3J 3N2, Canada
(21) 40 rue de la Boetie, 75008, Paris, France
(22) Gartenstrasse 1, 78136, Schonach im Schwarzwald, Germany
(23) Garvis Carlssons gata 5169 41 Solna
(24) NV Nordisk Vindkraft AB, Lilla Bommen 1SE-411 04 Göteborg
(25) Level 6, 165 Walker Street, North Sydney, NSW 2060
(26) King & wood Mallesons, Level 61 Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000
(27) Reutener Straße 18 79279 Vörstetten
(28) 66 Wellington Street West, Suite 5300, Toronto, Ontario M5K
(29) 1959 Upper Water Street, Suite 900, Halifax, Nova Scotia B3J 3N2
(30) Level 7, 1 Margaret Street, Sydney, NSW 2000
(31) 1500-1874 Scarth St, Regina, Saskatchewan S4P 4R9
(32) Third Floor, STV, Pacific Quay, Glasgow, G51 1PQ
(33) 255 Queens Avenue, Suite 2010, London, Ontario, Canada, N6A 5R8
(34) Central Queensland Power Development Corporation Pty Ltd
(35) Lugar a Condomiña 15 - Ortoñoames 15228-A Coruña, Spain
(36) Nannasgade 28,2200 København N, Denmark

Company name	Country of incorporation / registered office	UK company registration number	Holding of ordinary %
Direct subsidiary undertakings			
Renewable Energy Systems Limited	UK (1)	01589961	100%
RES UK & Ireland Limited	UK (1)	04913493	100%

Indirect subsidiary undertakings

Renewable Energy Centre Limited	UK (1)	03136058	100%
Renewable Energy Group Limited	UK (1)	04913495	100%
RES White Limited	UK (1)	11530790	100%
RES Australia PTY Limited	Australia (3)		100%
RES Chile SpA	Chile (16)		100%
Renewable Energy Systems Canada Inc	Canada (4)		100%
RES Deutschland GMBH	Germany (27)		100%
RES Italia s.r.l.	Italy (15)		100%
RES New Zealand Limited	New Zealand (12)		100%
Renewable Energy Systems Southern Africa Pty	South Africa (13)		100%
RES Anatolia Holding Anonim Şirketi	Turkey (9)		100%
Renewable Energy Systems Americas Inc	USA (8)		100%

Other related undertakings	**Country of incorporation**	**UK company registration number**	**Holding %**
Blary Hill Land Limited	UK (1)	12251870	100%
Kingston Solar Limited	UK (1)	12255169	100%
Renewable Energy Systems (Northern Ireland) Limited	UK (1)	NI026799	100%
SARCON (NO. 999) LIMITED	UK (1)	NI654703	100%
Solar Slate Limited	UK (1)	07022531	100%
White Newco B Limited	UK (1)	11800128	100%
Wind Energy Systems Limited	UK (1)	3280274	100%
Barr Cregg Energy Limited	UK (2)	NI670693	100%
Dunbeg South Energy Limited	UK (2)	NI679244	100%
Green Hydrogen 1 Limited	UK (32)	SC742541	100%
Green Hydrogen 2 Limited	UK (1)	14314743	100%
Green Hydrogen 3 Limited	UK (1)	14314761	100%
Green Hydrogen 4 Limited	UK (1)	14314735	100%
Green Hydrogen 5 Limited	UK (1)	14314766	100%
Drum Farm Energy Storage Limited	UK (32)	SC721836	100%
Lawfield Energy Storage Limited	UK (1)	14846965	100%
Mynydd Maen Wind Limited	UK (1)	14977044	100%
Sclenteuch Energy Limited	UK (32)	SC766132	100%
Steeple Solar Farm limited	UK (1)	13889253	100%
Magheramore Energy Limited	UK (2)	NI687756	100%
Bron Coys Energy Storage Limited	UK (1)	14073944	100%
Holmston Energy Storage Limited	UK (32)	SC731010	100%
RES Development Company 7 Limited	UK (1)	14074034	100%
RES Development Company 8 Limited	UK (1)	14074482	100%
RES Development Company 9 Limited	UK (1)	14074757	100%
RES Development Company 10 Limited	UK (1)	14074698	100%
Longhedge Solar Limited	UK (1)	14074682	100%
RES Development Company 12 Limited	UK (1)	14074738	100%
Hill of Towie 2 Energy Limited	UK (32)	SC731039	100%
RES Development Company 14 Limited	UK (2)	NI687822	100%
RES Development Company 15 Limited	UK (2)	NI692410	100%
RES Development Company 16 Limited	UK (32)	SC749658	100%
RES Development Company 17 Limited	UK (1)	14860530	100%
RES Development Company 18 Limited	UK (1)	14860537	100%
RES Solar Ireland Limited	ROI (6)		100%
RES Storage Ireland Limited	ROI (6)		100%
Ballyteige Solar Limited	ROI (6)		100%
Cuilmore Solar Limited	ROI (6)		100%
Renewable Energy Systems Limited (Branch)	ROI (11)		100%
RES America Support Services Inc.	USA (8)		100%
Battery Utility of Ohio, LLC	USA (8)		100%
Clear Fork Solar, LLC	USA (8)		100%
Clip Road Solar, LLC	USA (8)		100%
Crooked Creek Solar, LLC	USA (8)		100%
Honey Ranch Solar, LLC	USA (8)		100%
Joliet Battery Storage LLC	USA (8)		100%

12 Subsidiary undertakings (continued)
Other related undertakings (continued)

	Country of incorporation	UK company registration number	Holding %
Keys Hollow Solar, LLC	USA (8)		100%
Northern Illinois Battery Storage Holding LLC	USA (8)		100%
Oklahoma Land Partners, LLC	USA (8)		100%
Opuntia Solar, LLC	USA (8)		100%
Quarter Horse Solar, LLC	USA (8)		100%
RES (Construction) GP, LLC	USA (8)		100%
RES (Construction) LP, LLC	USA (8)		100%
RES (Construction), LP	USA (8)		100%
RES America Construction Inc.	USA (8)		100%
RES America Developments Inc.	USA (8)		100%
RES America Engineering Inc.	USA (8)		100%
RES America Investments Inc.	USA (8)		100%
RES America Integration Services Inc.	USA (8)		100%
RES Battery Storage Holding LLC	USA (8)		100%
RES Distributed Holdings, LLC	USA (8)		100%
RES Distributed, LLC	USA (8)		100%
RES Energy Storage Holdings, LLC	USA (8)		100%
RES North America Leasing, LLC	USA (8)		100%
RES System 3, Holdings, LLC	USA (8)		100%
RES System 3, LLC	USA (8)		100%
Southwest Land Partners, LLC	USA (8)		100%
Spoon River Solar, LLC	USA (8)		100%
Sure Shot Solar, LLC	USA (8)		100%
Texas GP Holdings, LLC	USA (8)		100%
Texas Land Partners, LP	USA (8)		100%
Texas LP Holdings, LLC	USA (8)		100%
Thunderbird Solar, LLC	USA (8)		100%
West Chicago Battery Storage LLC	USA (8)		100%
Weser Solar, LLC	USA (8)		100%
Wolf Tail Solar, LLC	USA (8)		100%
Beaty Hills Solar, LLC	USA (8)		100%
Dolomite Solar, LLC	USA (8)		100%
Cherry Ice Energy Storage, LLC	USA (8)		100%
Black Kettle Solar, LLC	USA (8)		100%
Irene Solar, LLC	USA (8)		100%
Somerset Energy Storage, LLC	USA (8)		100%
Cash Solar, LLC	USA (8)		100%
Healing Dove Solar, LLC	USA (8)		100%
House Solar, LLC	USA (8)		100%
Loblolly Solar, LLC	USA (8)		100%
Mudbug Solar, LLC	USA (8)		100%
Perry Creek Solar, LLC	USA (8)		100%
Rainwater Lake Solar, LLC	USA (8)		100%
Red Owl Solar, LLC	USA (8)		100%
Transmission and Development, LLC	USA (8)		100%
Egret Solar, LLC	USA (8)		100%
Grooms Solar, LLC	USA (8)		100%
Hamlet Flats, LLC	USA (8)		100%
Cetmi Rüzgar Enerjisinden Elektrik Üretimi Limited Şirketi	Turkey (9)		100%
Arzava Enerji Üretim Limited Şirketi	Turkey (9)		100%
Mengücek Enerji Üretim Limited Şirketi	Turkey (9)		100%
Ahiyuva Enerji Üretim Limited Şirketi	Turkey (9)		100%
Eratna Enerji Üretim Limited Şirketi	Turkey (9)		100%
Çubuk Enerji Üretim Limited Şirketi	Turkey (9)		100%
Dilmaç Enerji Üretim Limited Şirketi	Turkey (9)		100%
Frig Enerji Üretim Limited Şirketi	Turkey (9)		100%
Germiyan Enerji Üretim Limited Şirketi	Turkey (9)		100%
Hanti Enerji Üretim Anonim Şirketi	Turkey (9)		100%
İnal Enerji Üretim Limited Şirketi	Turkey (9)		100%
İnanç Enerji Üretim Limited Şirketi	Turkey (9)		100%

Renewable Energy Systems Holdings Limited
Notes to the Company financial statements
For the year ended 31 October 2023

12 Subsidiary undertakings (continued)
Other related undertakings (continued)

	Country of incorporation	UK company registration number	Holding %
Saltuk Enerji Üretim Anonim Şirketi	Turkey (9)		100%
Sökmen Enerji Üretim Limited Şirketi	Turkey (9)		100%
Tuşpa Enerji Üretim AnonimŞirketi	Turkey (9)		100%
Canik Enerji Üretim Limited Şirketi	Turkey (9)		100%
Eşref Enerji Üretim Anonim Şirketi	Turkey (9)		100%
Pervane Enerji Üretim Limited Şirketi	Turkey (9)		100%
Saruhan Enerji Üretim Limited Şirketi	Turkey (9)		100%
Zerocarbon Enerji Üretim Anonim Şirketi	Turkey (9)		100%
RES Participations S.A.S	France (5)		100%
RES Services S.A.S	France (5)		100%
RES Sud Europe S.A.S	France (5)		100%
Windkraft Schonach GmbH	Germany (22)		85%
Windpark Gomadingen GmbH & Co.KG	Germany (27)		100%
Windpark Gomadingen Bürgerbeteiligung GmbH & Co. KG	Germany (27)		100%
Umspannwerk Offenhausen GmbH &Co. KG	Germany (27)		100%
Umspannwerk Pronsfeld GmbH & Co.KG	Germany (27)		100%
Umspannwerk Winden GmbH & Co. KG	Germany (27)		100%
Windpark Laubus GmbH & Co. KG	Germany (27)		100%
Solarpark Öhningen GmbH & Co. KG	Germany (27)		100%
Solarpark Oberrot GmbH & Co. KG	Germany (27)		100%
Solarpark Döblitz GmbH & Co. KG	Germany (27)		100%
Windpark Wasen GmbH & Co.KG	Germany (27)		100%
14. RES Deutschland Wind GmbH & Co	Germany (27)		100%
Windpark Pronsfeld GmbH & Co. KG	Germany (27)		100%
RES Deutschland Verwaltungs GmbH	Germany (27)		100%
2308274 Alberta Ltd.	Canada (17)		100%
Assiniboine Wind G.P. Inc.	Canada (17)		100%
Assiniboine Wind L.P.	Canada (17)		100%
Eastern Fields Wind Farm (GP) Inc.	Canada (28)		100%
Eastern Fields Wind Farm LP	Canada (28)		100%
Renewable Energy Systems Québec Inc.	Canada (4)		100%
RES Canada Support Services GP Inc.	Canada (4)		100%
RES Canada Support Services LP	Canada (4)		100%
RES Canada Construction (Ontario) Inc.	Canada (28)		100%
RES Canada Construction (Ontario) LP	Canada (28)		100%
RES Canada Construction GP, Inc.	Canada (4)		100%
RES Oyen Wind GP Corp.	Canada (17)		100%
RES Oyen Wind LP	Canada (17)		100%
RES Canada Construction L.P.	Canada (4)		100%
RES Canada Land L.P.	Canada (4)		100%
Windy Ridge I GP Inc.	Canada (29)		100%
Windy Ridge I Limited Partnership	Canada (29)		100%
Windy Ridge II GP Inc.	Canada (29)		100%
Windy Ridge II Limited Partnership	Canada (29)		100%
Bekevar Wind G.P. Inc	Canada (29)		100%
Bekevar Wind L.P.	Canada (31)		89%
Nova Solar G.P. Inc.	Canada (17)		100%
Nova Solar L.P.	Canada (17)		100%
RES Forty Mile Wind GP Corp.	Canada (17)		100%
RES Forty Mile Wind LP	Canada (17)		100%
Big Sky Solar GP Inc.	Canada (17)		100%
Big Sky Solar LP	Canada (17)		100%
Barley Energy Storage GP Inc.	Canada (33)		100%
Barley Energy Storage L.P.	Canada (33)		100%
Wheat Energy Storage GP Inc.	Canada (33)		100%
Wheat Energy Storage L.P.	Canada (33)		100%
Soy Energy Storage GP Inc.	Canada (33)		100%
Soy Energy Storage L.P.	Canada (33)		100%
RES Southern Cross PTY Ltd	Australia (3)		80%
Southern Cross Windpower PTY Ltd	Australia (3)		100%
Murra Warra Energy Pty Ltd	Australia (3)		100%
Twin Creek Energy Pty Ltd	Australia (3)		100%
Blueshore Pty Ltd	Australia (30)		100%

12 Subsidiary undertakings (continued)
Other related undertakings (continued)

	Country of incorporation	UK company registration number	Holding %
Dalby Energy Holdings Pty Ltd	Australia (3)		100%
Dalby Energy Project Pty Ltd	Australia (3)		100%
Dalby Energy Finance Pty Ltd	Australia (3)		100%
Central Queensland Power Development Corporation Pty Ltd	Australia (3)		70%
Moah Creek Wind Farm Hold Co Pty Ltd	Australia (34)		70%
Moah Creek Wind Farm Project Co Pty Ltd	Australia (34)		70%
Mount Rainbow Wind Farm Hold Co Pty Ltd as	Australia (34)		70%
Mount Rainbow Wind Farm Project Co Pty Ltd	Australia (34)		70%
Nordisk Vindkraft Norge AS	Norway (7)		100%
Degerkölen Vindkraft AB	Sweden (24)		100%
Granliden Vindkraft AB	Sweden (24)		100%
RES Renewable Norden AB	Sweden (24)		100%
Trysslinge Vindkraft AB	Sweden (24)		100%
Vargträsk Vindkraft AB	Sweden (24)		100%
Vindkraft i Norrhälsinge AB	Sweden (24)		100%
Stora Uvberget Vind AB	Sweden (24)		100%
Storåsen Vindkraft AB	Sweden (24)		100%
Skyttmon Borgvattnet AB	Sweden (24)		100%
Ljungafors Fastigheter AB	Sweden (24)		100%
HjelmInvest AB	Sweden (24)		100%
Anemo Analytics Aps	Denmark (36)		100%
Integral Management Future Renewables SL	Spain (35)		100%
Other investment undertakings			
SPR Development Holdings, LLC	USA (8)		49%
Sequoia Renewable Energy Systems LP	Canada (10)		50%
Eenou Windcorp Inc	Canada (4)		40%
Northern Lights AOO LP	Canada (28)		49%
Northern Lights LP	Canada (28)		49%
5529442 Manitoba Limited	Canada (10)		50%
Llanerfyl Access Road Consortium Limited	UK (1)	06118626	50%
Murra Warra Solar Holdings Pty Ltd	Australia (3)		50%
Murra Warra Energy Storage Pty Ltd	Australia (26)		50%
HYRO Energy Limited	UK (1)	14411495	50%
Navigator North Holding Pty Ltd	Origin		20%
Navigator North Project Pty Ltd	Origin		20%
Navigator South Holding Pty Ltd	Origin		20%
Navigator South Project Pty Ltd	Origin		20%
Orestes Storage Solutions AB	Sweden (24)		50%
Altahullion Energy Limited	UK (1)	15146064	50%