Registered Number: 06636160

Cairnborrow Wind Energy Limited

Annual Report and Financial Statements

For the year ended 31 December 2016

Registered No. 06636160

Officers and Professional Advisers

Directors

A Garner
F d'Alonzo
C Foreman
S Jones

Company Secretary

S Gregory (Appointed 1 January 2016)
H Berger (Resigned 1 January 2016)

Auditor

Ernst & Young LLP
Statutory Auditor
100 Barbirolli Square
Manchester
M2 3EY

Bankers

HSBC Bank Plc
22 High Street
Mold, Flintshire
CH7 1AR

Registered Office

Mynydd Awel
Mold Business Park
Maes Gwern
Mold, Flintshire
CH7 1XN
United Kingdom

Registered No. 06636160

Strategic Report

The Directors present the Strategic Report on the affairs of Cairnborrow Wind Energy Limited together with the audited financial statements for the year ended 31 December 2016.

Principal activities, review of the business and future developments

The principal activity of the Company is the development of a wind farm and thereafter the management and operating activities associated with the generation of electricity at the wind farm. The Directors do not expect the current activities of the company to change in the future.

The Directors intend for the company to continue to develop the wind farm at Cairnborrow, Aberdeenshire. The construction of the wind farm progressed in advance of the planned construction programme,. with completion achieved on 23 January 2017. Operational performance to date is in line with managements expectations.

The company was 100% owned by ENGIE Renewables Limited (formerly West Coast Energy Limited), a company registered in England and Wales, until 15 July 2015, when 100% of the share capital was purchased by International Power Consolidated Holdings Limited (a company registered in England and Wales). International Power Consolidated Holdings Limited is wholly owned by ENGIE S.A. (formerly GDF Suez S.A.) (a company registered in France). On the same date, the Company conducted a rights issue of two new ordinary shares of £1 each for every 102 ordinary shares of £1 in issue, for a total subscription price of £6,418,600 including share premium of £6,418,598. The share premium becomes due as requested by the Company, when required to pay future construction costs as they become due. At the balance sheet date £6,418,600 (2015: £2,393,265) of share premium had been paid, with £Nil (2015: £4,025,333) remaining as outstanding.

On 13 November 2015, 50% of the share capital of the company was purchased by Equitix MA Infrastructure Limited, a company incorporated in England and Wales.

The Company made a profit before tax of £233,534 (2015: loss £151,241). The Company's net assets were £6,443,282 (2015: £2,230,679).

On 17 July 2015 the Company became party to a Finance Facility Agreement with ENGIE CC (formerly GDF Suez CC) under which funds drawn down were utilised to repay a loan from ENGIE Renewables Limited in full and pay for future construction costs as they become due. On the 13 November 2015, the Company entered into a new tripartite Facility Agreement with ENGIE CC and Equitix MA Infrastructure Limited under which funds were drawn down to repay the drawings from the original facility and pay construction costs as they become due.

Financial risk management objectives and policies

The Company finances its activities with a loan from its parent companys and cash. Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the Company's operating activities. The Company also enters into foreign exchange forward contracts, the purpose of which is to manage currency exchange.

The Company's financial instruments therefore give rise to interest rate, credit, price and liquidity risk. Information on how these risks arise is set out below, as are the objectives, policies and processes for their management and the methods used to measure each risk.

Principal risks and uncertainties facing the Company

The key risk during the construction of the wind farm, was the ability to deliver the project on time, in accordance with the project timeline and gain accreditation under the Renewables Obligation Certificate scheme before the scheme expires in March 2017. The construction was completed on 23 January 2017 and on 30 May 2017, Ofgem confirmed accreditation under the Renewables Obligation Certificate scheme from 9 December 2016. Following completion of construction, the key risks are wind availability, operational breakdown, electricity prices, Renewable Obligation Certificate prices and legislative change.

The risk of delay in the completion of the project was mitigated through multiple strategies. The construction project was managed by experienced project managers, who managed changes to scope, risk mitigation, issue management and cost control. The construction work was completed by pre-qualified contractors, with customary Liquidated Damages clauses in the main construction contracts. Delays due to adverse weather conditions were mitigated by avoiding winter working (October to April) within the construction programme. The project reached completion on 23 January 2017.

During the due diligence of the windfarm acquisition a detailed review of the measured site wind data was carried out by both internal and external experts. The assessments concluded that the wind regime for the site was acceptable.

The risk of operational breakdown will be mitigated through ongoing maintenance support from the turbine manufacturer.

Registered No. 06636160

Strategic Report (continued)

Principal risks and uncertainties facing the Company (continued)

The Regulatory Affairs team monitor and provide active participation in consultation on legislation changes within the Industry and the Company ensures compliance with all relevant legislation. A Health and Safety policy is in place with the key goals of:

- no accidents;
- no harm to people; and
- no damage to the environment.

Management arrangements are in place to achieve these goals and regular site audits were carried out to ensure that the prescribed policy was met. High levels of Health and Safety will be maintained throughout the life of the wind-farm. The Company has a business continuity plan ready to be implemented in response to a critical business event.

The credit risk from counterparties is assessed during negotiation of the Power Purchase Agreement (PPA) for the sale of all Renewable Obligation Certificates, energy and embedded benefits generated by the wind farm to the PPA counterparty, over the life of the PPA. The assessment identifies the form and value of credit support required from the counterparty and is stated within the terms and conditions of the PPA.

The Group's treasury policies seek to reduce and minimise financial risk (including interest rate risk) and ensure sufficient liquidity for foreseeable needs. Forward foreign currency contracts are in place for all significant outstanding foreign currency transactions and commitments.

There is a comprehensive budgeting system in place with an annual budget approved locally by the executive management. Management information systems provide the executive management team and directors with relevant and timely reports that identify significant deviations from approved plans and include regular re-forecasts for the year, in order to facilitate timely analysis and appropriate decisions and actions.

There is a Engie Group instruction manual setting out policies and procedures with which the UK companies are required to comply. The executive management team are responsible for ensuring that the UK companies observe and implement the policies and procedures set out in the manual which is regularly reviewed and updated.

Future developments

Since the balance sheet date, the Company has completed the development of the windfarm, with commercial operations commencing on 23 January 2017.

There have been no other significant events since the Balance Sheet date which should be considered for a proper understanding of these financial statements.

Environmental policy

The Company is committed to reducing its impact on the environment. As part of this commitment the Company works closely with the local community to minimise the impact of the wind farm development.

By order of the Board

A Garner

Director

28 June 2017

Registered No. 06636160

Directors' Report

The Directors present their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 31 December 2016.

Matters included in the Strategic Report

In accordance with s414(C) (11) of the Companies Act, included in the Strategic Report, Principal risks and uncertainties facing the Company, is information relating to the financial risk management objectives and policies which would otherwise be required by Schedule 7 of the 'large and medium sized companies and groups (accounts and reports) regulations 2008' to be contained in a Directors' Report.

Results and dividends

The profit (2015: loss) for the year, after taxation, amounted to £187,270 (2015: loss £136,963). All of the profit (2015: loss) is attributable to the members of the Company.

The directors cannot propose the payment of a final dividend (2015: same).

Going concern

The Company's activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report. The Company's Directors have reviewed the repayment terms of the intercompany loan and future net cash flows, including sensitivities, of the wind farm which they consider sufficient to meet the current loan obligations. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis of accounting in preparing the financial statements.

Directors

The directors who served during the year ended 31 December 2016 and thereafter were:

A Garner
F d'Alonzo
C Foreman
S Jones

Company secretary
H Berger (Resigned on 1 January 2016)
S Gregory (Appointed 1 January 2016)

During the year ended 31 December 2016, ENGIE S.A., maintained insurance for the directors A Garner and C Foreman. The Directors F d'Alonzo and S Jones were covered by a policy maintained by Equitix Limited. This insurance is used to indemnify them against certain liabilities which they may incur in their capacity as directors or officers of the Company, including liabilities in respect of which the Company is itself unable to provide an indemnity by virtue of Section 232 of the Companies Act 2006 (2015: same).

Disclosure of information to the auditor

Ernst & Young LLP was appointed as the Company's statutory auditor for the year ended 31 December 2016. The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information which the Company's auditor is unaware, and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, Ernst & Young LLP will be deemed to be appointed as the auditor.

By order of the Board

A Garner
Director
28 June 2017

Registered No. 06636160

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 financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, 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 in IFRSs 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.

Independent Auditor's Report

to the members of Cairnborrow Wind Energy Limited

We have audited the financial statements of Cairnborrow Wind Energy Limited for the year ended 31 December 2016 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent Auditor's Report

to the members of Cairnborrow Wind Energy Limited (continued)

Opinion on other matter 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.
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or Directors' Report.

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

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

Ernst + Young LLP

Jennifer Hazlehurst (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP

Statutory Auditor

Manchester, United Kingdom

30 June 2017

Registered No. 06636160

Income Statement

for the year ended 31 December 2016

	Note	2016 £	2015 £
Revenue		-	-
Cost of sales		-	(71,630)
Gross loss		-	(71,630)
Administrative expenses		(4,500)	(7,737)
Operating loss	3	(4,500)	(79,367)
Other gains and losses	5	238,034	(71,874)
Profit/(loss) before taxation		233,534	(151,241)
Taxation	6	(46,264)	14,278
Profit/(loss) for the year attributable to owners of the Company		187,270	(136,963)

All amounts relate to continuing activities.

Registered No. 06636160

Statement of Comprehensive Income

for the year ended 31 December 2016

	2016	**2015**
	£	**£**
Profit/(loss) for the year	187,270	(136,963)
Total comprehensive profit/(loss) for the year, net of tax	187,270	(136,963)

All of the above profit/(loss) is attributable to the owners of the Company.

Registered No. 06636160

Statement of Financial Position

As at 31 December 2016

	Note	2016 £	2015 £
Non-current assets			
Property, plant and equipment	7	13,532,554	5,165,131
Deferred tax asset	12	-	2,484
Decommissioning security deposit		50,000	50,000
Total non-current assets		13,582,554	5,217,615
Current assets			
Trade and other receivables	8	521,264	439,789
Deferred tax asset	12	-	11,794
Derivative financial instruments	13	166,159	-
Cash and cash equivalents	9	1,676,721	138,975
Total current assets		2,364,144	590,558
Current liabilities			
Trade and other payables	10	(233,670)	(1,005,620)
Derivative financial instruments	13	-	(58,970)
Interest bearing Group loans and borrowings	11	(534,000)	-
Deferred tax liability	12	(31,986)	-
Total current liabilities		(799,656)	(1,064,590)
NET CURRENT ASSETS/(LIABILITIES)		1,564,488	(474,032)
Non current liabilities			
Interest bearing Group loans and borrowings	11	(8,346,000)	(2,500,000)
Derivative financial instruments	13	-	(12,904)
Provisions for liabilities and charges	14	(357,760)	-
Total non-current liabilities		(8,703,760)	(2,512,904)
NET ASSETS		6,443,282	2,230,679
EQUITY			
Share capital	16	104	104
Share premium account		7,701,466	3,676,133
Retained losses		(1,258,288)	(1,445,558)
TOTAL EQUITY		6,443,282	2,230,679

The financial statements of Cairnborrow Wind Energy Limited (registered number 06636160) were approved by the Board of Directors and authorised for issue on 28 June 2017.

They were signed on its behalf by:

C Foreman

Director

28 June 2017

Registered No. 06636160

Statement of Changes in Equity

for the year ended 31 December 2016

	Share Capital	Share Premium Account	Retained profit/(loss)	Total Equity
	£	£	£	£
At 1 January 2015	102	1,282,868	(1,308,595)	(25,625)
Share issue	2	2,393,265	-	2,393,267
Total comprehensive loss for the year	-	-	(136,963)	(136,963)
At 31 December 2015	104	3,676,133	(1,445,558)	2,230,679
Share premium	-	4,025,333	-	4,025,333
Total comprehensive income for the year	-	-	187,270	187,270
At 31 December 2016	104	7,701,466	(1,258,288)	6,443,282

Registered No. 06636160

Cash Flow Statement

for the year ended 31 December 2016

	Note	2016 £	2015 £
Operating activities			
Profit/(loss) after taxation		187,270	(136,963)
Adjustments to reconcile profit after taxation to net cash flows from operating activities			
Other gains and losses on fair value instruments - commodity contracts		(238,034)	71,874
Increase in trade and other receivables		(4,200)	(12,844)
(Decrease) / increase in trade and other payables		(-)	(58,963)
Income tax expense		46,264	(14,278)
Net cash flows from operating activities		(8,700)	(151,174)
Cash flows used in investing activities			
Funding decommissioning security deposit		-	(50,000)
Purchase of property, plant and equipment		(8,846,111)	(4,487,494)
Net cash flows used in investing activities		(8,846,111)	(4,537,494)
Cash flows generated by / (used in) financing activities			
Repayment of borrowings from group companies		-	(1,976,600)
Proceeds from new borrowings from group companies		6,367,224	4,410,881
Proceeds on issue of shares		4,025,333	2,393,267
Net cash flows generated from financing activities		10,392,557	4,827,548
Net increase in cash and cash equivalents		1,537,746	138,880
Cash and cash equivalents at beginning of the year		138,975	95
Cash and cash equivalents at end of the year	12	1,676,721	138,975

Notes to the financial statements

for the year ended 31 December 2016

1. Statement of compliance with IFRSs

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union as they apply to the financial statements of the Company for the year ended 31 December 2016. The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

Basis of preparation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union as they apply to the financial statements of the Company for the year ended 31 December 2016 and applied in accordance with the Companies Act 2006. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2016.

The Company financial statements are presented in pounds sterling (£) as this is the currency of the primary economic environment in which the Company operates and all values are rounded to the nearest pound (£) except when otherwise indicated.

The financial statements have been prepared on the historic cost basis, except for derivatives which are carried at fair value as described in the accounting policies below. Historic cost is generally based on the fair value of the consideration given in exchange for the assets.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2016 which have been applied consistently in the current and preceding year.

Adoption of new and revised standards

The following Adopted IFRSs have been issued but have not been applied by the Group in these financial statements. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

- Recognition of Deferred Tax Assets for Unrealised Losses – Amendments to IAS 12 (effective date 31 December 2017) – Management is still considering the impact of this new standard.
- IFRS 15 revenue from Contracts with Customers (effective date 31 December 2018) – Management is still considering the impact of this new standard.
- IFRS 9 Financial Instruments recognition and measurement – Replacing IAS 39 (effective date 31 December 2018) – Management is still considering the impact of this standard and is as yet unable to quantify its likely impact.
- IFRS 16 Leases (effective date 31 December 2019) – Management is still considering the impact of this new standard and is as yet unable to quantify its likely impact.

At the date of authorisation of these financial statements, the Company has not applied new and revised IFRSs that have been issued but are not yet effective and had not yet been adopted by the EU.

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

2. Accounting policies (continued)

Judgements and key sources of estimation uncertainty

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

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Recoverable amount of property, plant and equipment

The recoverable amount of property, plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the assets. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment adjustments.

Decommissioning provision

The Company estimates the likely cost of removing the power plant and making good the damage to the site where a contractual decommissioning and restoration obligation exists. The provision reflects the present value (based on an appropriate discount rate), at the balance sheet date of the decommissioning liability.

Taxation

The Company is subject to routine tax audits and also a process whereby tax computations are discussed and agreed with the appropriate authorities. Whilst the ultimate outcome of such tax audits and discussions cannot be determined with certainty, management estimates the level of provisions required for both current and deferred tax on the basis of professional advice and the nature of current discussions with the tax authority concerned.

Significant accounting policies

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration incurred in the development of the wind farm, net of income received during the commissioning period.

Assets under construction

No depreciation is provided on assets in the course of construction. Any borrowing costs directly attributable to assets under construction which meet the recognition criteria in IAS 23 are capitalised as part of the cost of the asset.

Decommissioning asset

The future cost is recognised in the balance sheet as a decommissioning asset by creating an increase in the tangible fixed assets. The depreciation expenses of capitalised decommissioning and restoration costs are included in the profit and loss account together with the depreciation charge on the wind farm's fixed assets. Any change in estimation in the estimated cost or the discount rate are added or deducted from the fixed asset's cost. The discounting effect on the provision is recorded in the profit and loss account as a finance cost.

Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Notes to the financial statements

for the year ended 31 December 2016 (continued)

2. Accounting policies (continued)

Impairment of assets (continued)

Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impairment.

For asset excluding goodwill, where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately to the income statement.

Dividends

Dividends are recognised in the financial statements in the year in which they are paid, or in the case of a final dividend when approved by the shareholders.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Recognition and valuation of financial assets

Cash and cash equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Trade and other receivables

Trade receivables, which generally have terms of 90 days, are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Financial liabilities and equity

Financial liabilities and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.
A financial liability is classified as held for trading if:

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

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

Notes to the financial statements

for the year ended 31 December 2016 (continued)

2. Accounting policies (continued)

Financial instruments (continued)

Financial liabilities at FVTPL (continued)

- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the income statement.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments

The Company enters into derivative financial instruments, namely foreign exchange forward contracts to manage its exposure to foreign exchange rate risk. Further details of derivative financial instruments are disclosed in notes 13 and 15

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Company designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges).

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a current asset due after one year or a creditor due after more than one year if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation and the amount of that obligation has been reliably estimated. If the effect is material, provisions are determined by discounting 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. Provisions are not recognised for future operating losses.

Notes to the financial statements

for the year ended 31 December 2016 (continued)

2. Accounting policies (continued)

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the statement of financial position date.

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; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the statement of financial position date.

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; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Income Statement.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance costs.

Foreign currency transactions

Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the statement of financial position date. All differences are taken to the income statement, except when hedge accounting is applied.

Operating leases

Leases where the lessor retains a significant portion of the risks and benefits of ownership of the asset are classified as operating leases and rentals payable are charged to income in equal annual amounts over the lease term.

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

2. Accounting policies (continued)

Going concern

The Company's activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report. The Company's Directors have reviewed the repayment terms of the intercompany loan and future net cash flows, including sensitivities, of the wind farm which they consider sufficient to meet the current loan obligations. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis of accounting in preparing the financial statements.

3. Operating loss

This is stated after charging:

	2016	*2015*
	£	*£*
Fees paid to the auditor for the audit of Company's financial statements	4,500	4,525

There were no non-audit fees incurred in either the current or the prior year.

4. Directors remuneration and staff costs

There were no employees during the year (2015: same).
No directors received any emoluments from Cairnborrow Wind Energy Limited and did not spend a significant proportion of their time performing services for the company (2015: same).

5. Other gains and losses

	2016	*2015*
	£	*£*
Change in the fair value of derivative assets and liabilities	238,034	(71,874)

No other gains or losses have been recognised in respect of loans and receivables or held-to-maturity investments.

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

6. Taxation

	2016	2015
	£	£
(a) Tax charge		
Current income tax:		
UK corporation tax on profit for the year	-	-
Adjustment in respect of prior periods	-	-
Total current income tax	-	-
Deferred tax:		
Deferred tax charge/(credit) relating to the origination and reversal of temporary differences	46,264	(14,278)
Tax charge/(credit)	46,264	(14,278)

The Company earns its profits primarily in the UK. Therefore the tax rate used for tax on ordinary activities is the average standard rate for UK corporation tax, currently 20% (2015: 20.25%).

The charge for the year can be reconciled to the profit in the profit and loss account as follows:

	2016	2015
	£	£
(b) Reconciliation of tax charge/(credit)		
Profit/(loss) before tax	233,534	(151,241)
Profit/(loss) multiplied by standard rate of corporation tax of 20% (2015: 20.25%)	46,707	(30,626)
Tax losses not recognised	900	16,348
Change in tax rate	(1,343)	-
Tax charge/(credit)	46,264	(14,278)

(c) Deferred tax

An analysis of the movements in deferred tax is as follows:	*2016*	2015
	£	£
Deferred tax asset at 1 January	14,278	-
Deferred tax credit in income statement for the year (note 12)	(46,264)	14,278
Deferred tax (liability)/asset at 31 December	(31,986)	14,278

Analysed as:	*2016*	2015
	£	£
Deferred tax on the change in fair value of derivative assets and liabilities	(31,986)	14,278

A potential deferred tax asset of £208,474 in relation to taxable losses has not been recognised as there is insufficient certainty over the availability of suitable future taxable profits against which this may be offset.

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

7. Non-current assets

	Decommissioning asset	*Asset under construction*	*Property, plant and equipment Total*
	£	£	£
Cost			
At 1 January 2016	-	5,165,131	5,165,131
Additions	357,760	8,009,663	8,367,423
At 31 December 2016	357,760	13,174,794	13,532,554
Accumulated depreciation			
At 1 January 2016	-	-	-
Charge for the year	-	-	-
At 31 December 2016	-	-	-
Carrying amount			
At 31 December 2016	357,760	13,174,794	13,532,554
At 31 December 2015	-	5,165,131	5,165,131

	Decommissioning asset	*Asset under construction*	*Property, plant and equipment Total*
	£	£	£
Cost			
At 1 April 2015	-	136,036	136,036
Additions	-	5,029,095	5,029,095
At 31 December 2015	-	5,165,131	5,165,131
Accumulated depreciation			
At 1 April 2015	-	-	-
Charge for the year	-	-	-
At 31 December 2015	-	-	-
Carrying amount			
At 31 December 2015	-	5,165,131	5,165,131
At 31 December 2014	-	136,036	136,036

The Company does not hold any assets under finance leases (2015: same).

The Company had no capital commitments for the year (2015: £nil).

Asset under construction includes interest capitalised during construction. During the year £261,263 (2015: £79,698) of interest has been capitalised. The net book value of the capitalised interest at the balance sheet date is £340,961 (2015: £79,698). The rate at which interest was capitalised was 4.16% (2015: 1.93%).

A decommissioning provision has been recognised in the year for the costs of decommissioning the wind farm. An average inflation rate of 3.2% has been applied to these costs and then discounted back to their net present value at a rate of 2.6%.

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

8. Trade and other receivables

	2016	2015
	£	£
Recoverable VAT	517,064	439,789
Prepayments	4,200	-
	521,264	439,789

9. Cash and cash equivalents

	2016	2015
	£	£
Cash at bank and in hand	1,676,721	138,975

10. Trade and other payables

	2016	2015
	£	£
Trade creditors	32,582	752,289
Amounts owed to group undertakings	-	-
Accrued expenses and other payables	116,251	186,128
Accrued interest - amounts owed to group undertakings	84,837	67,203
	233,670	1,005,620

11. Interest bearing loans and borrowings

	2016	2015
	£	£
Current		
Amounts owed to Group undertakings	534,000	-
Non –current		
Amounts owed to Group undertakings	8,346,000	2,500,000

Refer to Note 15 for further details.

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

12. Deferred tax

The following are the major deferred tax (liabilities)/assets recognised by the Company and movements thereon during the current and prior reporting period.

	Fair value of forward currency contract - due within one year	*Fair value of forward currency contract - due after one year*	*Total*
	£	*£*	*£*
At 1 January 2015	-	-	
Charge to profit or loss	11,794	2,484	14,278
At 1 January 2016	11,794	2,484	14,278
Charge to profit or loss	(43,780)	(2,484)	(46,264)
At 31 December 2016	(31,986)	-	(31,986)

13. Derivative financial instruments

Financial assets/(liabilities) carried at fair value through profit and loss

	2016	*2015*
	£	*£*
Forward foreign currency contracts – due within one year	166,159	(58,970)
Forward foreign currency contracts – due after one year	-	(12,904)
Total forward foreign currency contracts	166,159	(71,874)

14. Provisions for liabilities and charges

	Decommissioning	*Total*
	£	*£*
At 1 January 2016	-	-
Arising during the year	357,760	357,760
At 31 December 2016	357,760	357,760

A decommissioning provision has been recognised in the year for the costs of decommissioning the wind farm. An average inflation rate of 3.2% has been applied to these costs and then discounted back to their net present value at a rate of 2.6%

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

15. Financial risk management objectives and policies

The Company's principal financial instruments comprise trade payables and borrowings from Group undertakings. The main purpose of these instruments is to raise finance for the Company's operations. The Company has various financial assets such as cash and other receivables, which arise directly from its operations, in addition to loans from Group undertakings.

The main risks arising from the Company's financial instruments are interest rate and foreign currency risk. There are no significant liquidity or credit risks.

Interest rate maturity profile of financial assets and liabilities

The following table sets out the carrying amount, by maturity, of the Company's financial instruments that are exposed to interest rate risk.

Year ended 31 December 2016	*Within 1 year*	*1 to 5 years*	*>5 years*	*Total*
	£	£	£	£
Amounts owed to Group undertakings	534,000	3,849,000	4,497,000	8,880,000

Period ended 31 December 2015	*Within 1 year*	*1 to 5 years*	*>5 years*	*Total*
	£	£	£	£
Amounts owed to Group undertakings	6,000	2,494,000	-	2,500,000

Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with a floating interest rate and bank deposits. Interest on amounts owed to Group undertakings is set at 6 months Libor + 3.63%. The other financial assets and financial liabilities of the Company are non-interest bearing and therefore are not subject to interest rate risk.

Interest rate risk table

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Company's asset value within property, plant and equipment (through the impact on floating rate borrowings).

	Increase/(decrease) in base rate	*Increase/(decrease) in profit before tax*
		£
2016	+1.00%	50,365
	-1.00%	(50,365)
2015	+1.00%	4,534
	-1.00%	(4,529)

Foreign currency risk

Transactions denominated in foreign currencies arising in the normal course of business are translated into sterling at the exchange rate ruling on the date the transaction takes place unless related or matching forward foreign exchange contracts have been entered into, when the rate specified in the contract is used. Monetary assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Exchange differences arising in the normal course of business and on the translation of monetary assets and liabilities are dealt with in the profit and loss account.

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

15. Financial risk management objectives and policies (continued)

Foreign Exchange rate risk table

The following table demonstrates the sensitivity to reasonably possible changes in the sterling euro exchange rate, with all other variables held constant, of the Company's profit before tax.

	Rise/(fall) in exchange rate	*Increase/(decrease) in profit before tax*
		£
2016	+5.0%	66,844
	-5.0%	(66,844)
2015	+5.0%	324,772
	-5.0%	(324,772)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities.

The maturity profile of the financial liabilities of the Company as at 31 December 2016 and as at 31 December 2015 based on contractual undiscounted payments is as follows:

Year ended 31 December 2016	On Demand	Less than 3 months	3-12 months	1 to 5 years	>5 years	Total
	£	£	£	£	£	£
Amounts owed to Group undertakings	-	82,784	536,054	3,849,000	4,497,000	8,880,000
Trade and other payables	-	37,083	111,751	-	-	148,834
Forward foreign currency contracts	-	1,171,185	-	-	-	1,171,185

Year ended 31 December 2015	On Demand	Less than 3 months	3-12 months	1 to 5 years	>5 years	Total
	£	£	£	£	£	£
Amounts owed to Group undertakings	-	-	6,000	2,494,000	-	2,500,000
Trade and other payables	-	951,193	54,427	-	-	1,005,620
Forward foreign currency contracts	-	-	5,442,764	1,171,185	-	6,613,949

Notes to the financial statements

for the year ended 31 December 2016 (continued)

15. Financial risk management objectives and policies (continued)

Fair value

Valuation techniques and assumptions applied for the purposes of measuring fair value

The Company holds a number of financial instruments on the statement of financial position at their fair values. Financial instruments which are measured subsequent to initial recognition at fair value are grouped, based on the degree to which the fair value is observable, into Level 1 – 3 as defined below.

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities, where inputs are observable;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that is not based on observable market data.

The fair values of derivative financial instruments are calculated using observable market data provided by the Engie Group to which an appropriate discount rate is applied and are therefore all grouped as Level 2.

The fair value of forward foreign currency contracts in place at the date of the balance sheet was:

Fair value through profit and loss	*2016*	*Movement in 2016*	*2015*	*Movement in 2015*
	£	*£*	*£*	*£*
Forward foreign currency contracts - financial assets	166,159	166,159	-	-
Forward foreign currency contracts - financial liabilities	-	71,874	(71,874)	(71,874)
	166,159	238,033	(71,874)	(71,874)

Of which:

	2016	2015
	£	£
Gains/(losses) expected to be recognised in the year ended December 2016	-	(58,970)
Gains/(losses) expected to be recognised in the year ended December 2017	166,159	(12,904)

The above derivative assets and liabilities relate to forward foreign currency contracts to purchase €1,561,395 (2015: €8,850,708).

The movement in the fair value in each year is included in the Income Statement.

The counterparty to the forward foreign currency contracts is International Power Limited.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, trade and other receivables, trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

It is the Directors' opinion that the carrying amounts of the other non-current financial assets and borrowings, recorded at amortised cost in the financial statements, are approximately equal to their fair value.

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

15. Financial risk management objectives and policies (continued)

Liquidity risk management

The Board of Directors manages the Company's liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by monitoring the forecast and actual cash flows and matching maturity profiles of financial assets and liabilities. The Company's remaining contractual maturity for its non-derivative financial assets and liabilities with agreed repayment periods has been drawn up below and includes both interest and principal cash flows.

	0 – 12 months	1-5 years	5+ years	Total
31 December 2016	£	£	£	£
Financial assets				
- Cash and cash equivalents (note 9)	1,676,721	-	-	1,676,721
- Trade and other receivables (note 8)	521,264	-	-	521,264
	2,197,985	-	-	2,197,985
Financial liabilities				
- Trade and other payables (note 10)	(233,670)	-	-	(233,670)
- Interest bearing loans and borrowings (note 11)	(618,838)	(3,849,000)	(4,497,000)	(8,880,000)
	(852,508)	(3,849,000)	(4,497,000)	(9,113,670)
Borrowing as a % of total borrowings	7%	43%	50%	100%
31 December 2015	£	£	£	£
Financial assets				
- Cash and cash equivalents (note 9)	138,975	-	-	138,975
- Trade and other receivables (note 8)	439,789	-	-	439,789
	578,764	-	-	578,764
Financial liabilities				
- Trade and other payables (note 10)	(1,005,620)	-	-	(1,005,620)
- Interest bearing loans and borrowings (note 11)	(6,000)	(2,494,000)	-	(2,500,000)
	(1,011,620)	(2,494,000)	-	(3,505,620)
Borrowing as a % of total borrowings	29%	71%	0%	100%

Capital management

The Company manages its capital to ensure that it is able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from that in force in 2015.

The capital structure of the Company consists of net debt, which includes a Group loan as disclosed in note 15, less cash and cash equivalents as disclosed in note 9 and equity attributable to equity holders of the Company, comprising issued capital and retained losses as disclosed in the Statement of Changes in Equity on page 11 of the financial statements.

The company is not subject to any externally imposed capital requirements.

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

16. Equity share capital

	2016	*2015*
	£	£
Authorised		
104 ordinary shares (2015: 104) of £1 each	104	104
Called up, allotted and fully paid		
104 ordinary shares (2015: 104) of £1 each	104	104

17. Operating lease arrangements

The Company as lessee

	2016	*2015*
	£	£
Lease payments under operating leases recognised as an expense in the year	-	-

Cairnborrow Wind Energy Limited has a lease for access to and use of the farmland where the wind farm is situated. The lease has a duration of 25 years. The commitments below is the minimum non-cancellable element and any further amounts payable are based upon electricity production.

	2016	*2015*
	£	£
Within one year	101,000	13,000
In the second to fifth years inclusive	402,000	392,000
After five years	2,914,000	2,941,000
	3,417,000	3,346,000

18. Related party transactions

During the year, the Company carried out a number of transactions in the normal course of business with the following related parties. There were no other related party transactions.

ENGIE Renewables Limited (formerly West Coast Energy Limited)
ENGIE CC (formerly GDF Suez CC)
Equitix MA Infrastructure Limited

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

18. Related party transactions (continued)

The aggregate of the transactions and the year end balances with these related parties are shown below:

Year ended 31 December 2016	*Cost of sales*	*Property, plant and equipment*	*Accrued interest - amounts owed to group undertakings*	*Amounts owed to group undertakings*	*Interest bearing loans and borrowings*
	£	£	£	£	£
ENGIE CC	-	156,263	(83,810)	-	(4,440,000)
Equitix MA Infrastructure Limited		105,000	(1,027)	-	(4,440,000)

Year ended 31 December 2015	*Cost of sales*	*Property, plant and equipment*	*Accrued interest - amounts owed to group undertakings*	*Amounts owed to group undertakings*	*Interest bearing loans and borrowings*
	£	£	£	£	£
ENGIE CC	-	54,430	(54,430)	-	(1,250,000)
Equitix MA Infrastructure Limited		12,773	(12,773)	-	(1,250,000)
ENGIE Renewables Limited	(45,892)	68,200		-	

Terms and conditions of related party balances

On 15 December 2009, the Company entered into a loan agreement with ENGIE CC for borrowings of up to £8,886,000. In November 2015 the ENGIE CC loan was paid in full and followed by an agreement made with Equitix MA Infrastructure Limited for a drawdown facility of £8,886,000. Scheduled capital and interest payments are due in June & December of each year, starting on 31 December 2016 and ending on 31 December 2025.

The transactions with ENGIE Renewables Limited are made at normal prices and with terms and conditions comparable with an arm's length transaction. The purchase transaction with this entity are for development and project management costs in obtaining planning consent for the wind farm.

The transactions with ENGIE CC and Equitix MA Infrastructure Limited are made at normal prices and with terms and conditions comparable with an arm's length transaction. The interest payable and amounts owed to these entities are for loan interest.

Compensation of key management personnel of the Company

None of the directors are compensated by the Company. There have been no transactions with the directors of the Company during the year as set out in note 4.

Registered No. 06636160

Notes to the financial statements

for the year ended 31 December 2016 (continued)

19. Ultimate parent company

As at 31 December 2014, the company was 100% owned by ENGIE Renewables Limited (formerly West Coast Energy Limited), a company registered in England and Wales. On 15 July 2015, 100% of the share capital was purchased by International Power Consolidated Holdings Limited (a company registered in England and Wales). International Power Consolidated Holdings Limited is wholly owned by ENGIE S.A. (formerly GDF Suez S.A.) (a company registered in France).

On 13 November 2015, 50% of the share capital of the company was purchased by Equitix MA Infrastructure Limited, a company incorporated in England and Wales. Equitix MA Infrastructure Limited is wholly owned by Equitix Limited, a company incorporated in England and Wales. From this date, the Company ceased to be indirectly wholly owned by ENGIE S.A.

At the 31 December 2016, the Company was therefore 50% controlled by International Power Consolidated Holdings Limited and 50% controlled by Equitix MA Infrastructure Limited and the Directors, therefore, consider that there is no single controlling party.

Copies of the accounts for the above companies can be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

20. Post balance sheet events

Since the balance sheet date, the Company completed the development of the windfarm, with commercial operations commencing on 23 January 2017.

There have been no other significant events since the Balance Sheet date which should be considered for a proper understanding of these financial statements.