

Summit Renewable Energy Northwind Limited

Annual report and financial statements

Registered Number 8543940

31 March 2016

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**Summit Renewable Energy Northwind Limited
Report and financial statements 2016**

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Summit Renewable Energy Northwind Limited

Strategic Report

The directors present the strategic report for the year ended 31 March 2016.

Summit Renewable Energy Northwind Limited is a wholly owned subsidiary of Sumitomo Corporation and Sumitomo Corporation Europe Limited. The ultimate parent company is Sumitomo Corporation, whose head office is based in Tokyo, Japan. Sumitomo Corporation is a global trading house operating throughout the world.

Principal activities

Summit Renewable Energy Northwind Limited was incorporated on 24 May 2013 and acts as a holding company for investments in Northwind offshore wind power business in Belgium.

Business review and future prospects

The company made a profit after tax of €1,045,000 mainly as a result of receiving interest on shareholders loans made to a joint venture, Northwind N.V.

The directors are confident that the company is soundly based on continuing with its current activities. The balance sheet shows total net current assets of €2,728,000 and net assets of €26,499,000.

Financial risk management objectives and policies

The company's activities expose it to a number of financial risks which include currency risk, credit risk, counterparty risk and liquidity risk.

Currency risk

The company's functional currency is the EURO. The company keeps Sterling cash in bank balances for the payment of its expenses; these balances have no material foreign currency risk. The company uses foreign exchange contracts to hedge these exposures where possible and considered appropriate.

Credit risk and counterparty risk

The company's principal financial assets are bank balances including CMS (cash management system), debtors that are mostly amounts owed by group undertakings, and investments.

Credit risk relates mainly to amounts owed by group undertakings. The financial position of counterparties is closely monitored and an allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cashflows. As at the balance sheet date no such allowance is booked.

Counterparty risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit ratings agencies.

Liquidity risk

The company is exposed to limited liquidity risk due to the fact that transactions are mainly with related parties; also the current liabilities are mainly due to related parties.



H. Doi
Director

Company Registration No: 8543940

24th August 2016

Vintners' Place
68 Upper Thames Street,
London
EC4V 3BJ

Summit Renewable Energy Northwind Limited

Directors' report

The directors present the audited financial statements for the year ended 31 March 2016.

Results and Dividends

The company's profit for the year is €1,045,000. No dividend was paid during the year.

Directors

The directors who held office during the period and up to the date of this report were as follows:

H Doi (Appointed 21 August 2015)
K Mihara
Y Sakai
N Murakata (Resigned 21 August 2015)

Directors' indemnities

The company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the U.K. Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Political contribution

The Company made no political donations during the year (2015: nil).

Disclosure of information to auditor

The directors who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director in order 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, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board of Directors and signed on behalf of the Board



H. Doi
Director

Company Registration No: 8543940

24th August 2016

Vintners' Place
68 Upper Thames Street,
London
EC4V 3BJ

Summit Renewable Energy Northwind Limited

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

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101).

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Summit Renewable Energy Northwind Limited

We have audited the financial statements of Summit Renewable Energy Northwind Limited for the year ended 31 March 2016 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 set out on page 3, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

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.

Kevin Hall (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
United Kingdom



24th August 2016

Summit Renewable Energy Northwind Limited

Profit and loss account and Other comprehensive income For the year ended 31 March 2016

| | Notes | 2016 €'000 | 2015 €'000 |
|------------------------------------------------------|-------|---------------------|-------------------|
| Turnover | 2 | 2,415 | 1,263 |
| Administrative expenses | 3 | <u>(258)</u> | <u>(120)</u> |
| Operating profit | | 2,157 | 1,143 |
| Interest receivable and similar income | | 1 | - |
| Interest payable and similar charges | 6 | <u>(841)</u> | <u>(483)</u> |
| Profit on ordinary activities before taxation | | 1,317 | 660 |
| Tax on profit on ordinary activities | 7 | <u>(272)</u> | <u>(136)</u> |
| Profit on ordinary activities after taxation | | 1,045 | 524 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | <u><u>1,045</u></u> | <u><u>524</u></u> |

The results shown above are derived wholly from continuing operations.

The notes on pages 8 to 15 form part of these financial statements.

Summit Renewable Energy Northwind Limited

Statement of changes in equity 31 March 2016

| | Called up share capital | Profit & loss | Total |
|---------------------------------------|-------------------------------|------------------|---------------|
| | €'000 | €'000 | €'000 |
| Balance brought forward 1 April 2014 | 5,000 | (70) | 4,930 |
| Increase in share capital | 20,000 | - | 20,000 |
| Profit retained for year | - | 524 | 524 |
| Other comprehensive income | - | - | - |
| | <u>25,000</u> | <u>454</u> | <u>25,454</u> |
| Balance carried forward 31 March 2015 | 25,000 | 454 | 25,454 |
| | <u>25,000</u> | <u>454</u> | <u>25,454</u> |
| Balance brought forward 1 April 2015 | 25,000 | 454 | 25,454 |
| Profit retained for year | - | 1,045 | 1,045 |
| Other comprehensive income | - | - | - |
| | <u>25,000</u> | <u>1,499</u> | <u>26,499</u> |
| Balance carried forward 31 March 2016 | 25,000 | 1,499 | 26,499 |
| | <u>25,000</u> | <u>1,499</u> | <u>26,499</u> |

The notes on pages 8 to 15 form part of these financial statements.

Summit Renewable Energy Northwind Limited

Balance Sheet As at 31 March 2016

| | Note | 2016 €'000 | 2015 €'000 |
|-------------------------------------------------------|------|----------------------|----------------------|
| Fixed assets | | | |
| Intangible fixed assets | | 4 | 5 |
| Investments | | | |
| -Investments in joint ventures | 8 | 45,523 | 45,523 |
| -Loans to joint ventures | 9 | 19,744 | 21,207 |
| | | <u>65,271</u> | <u>66,735</u> |
| Current assets | | | |
| Debtors | 10 | 3,633 | 2,145 |
| Creditors: amounts falling due within one year | 11 | <u>(905)</u> | <u>(426)</u> |
| Net current assets | | 2,728 | 1,719 |
| Creditors: amounts falling due after one year | 12 | (41,500) | (43,000) |
| Net assets | | <u><u>26,499</u></u> | <u><u>25,454</u></u> |
| Capital and reserves | | | |
| Called up share capital | 13 | 25,000 | 25,000 |
| Profit and loss account | | 1,499 | 454 |
| Shareholders' funds | | <u><u>26,499</u></u> | <u><u>25,454</u></u> |

The notes on pages 8 to 15 form part of these financial statements.

The Board of Directors approved these financial statements on 24th August 2016.

Signed on behalf of the Board of Directors



H. Doi

Director

Company registration no.: 8543940

Summit Renewable Energy Northwind Limited

Notes to the accounts *(forming part of the financial statements)*

1. Accounting policies

Summit Renewable Energy Northwind Limited (the “Company”) is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (“FRS 101”). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

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

In these financial statements, the company has adopted FRS 101 for the first time.

In the transition to FRS 101, the company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. In preparing its FRS 101 balance sheet, the company did not make any adjustments to the financial statements for the year ended 31 March 2015, and the opening balance sheet at 1 April 2014 as there was no accounting treatment difference noted in transition from old UK GAAP to FRS101.

The Company’s ultimate parent undertaking, Sumitomo Corporation, includes the Company in its consolidated financial statements. The consolidated financial statements of Sumitomo Corporation are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from 8-11 Harumi, 1-chome, Chuo-ku, Tokyo, Japan.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Sumitomo Corporation include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures

- The disclosures required by IFRS 7 and IFRS 13 regarding financial instrument disclosures have not been provided part from those which are relevant for the financial instruments which are held at fair value and are not either held as part of trading portfolio or derivatives.

The accounting policies set out below have, unless otherwise stated been applied consistently to all periods presented in these financial statements and in preparing an opening FRS101 balance sheet at 1 April 2014 for the purposes of transition to FRS101.

Going Concern

The company manages its cash and liquidity position in conjunction with its ultimate parent company, Sumitomo Corporation, based in Tokyo, Japan and has access to funding via a fellow group company; Sumitomo Corporation Capital Europe plc. The directors consider that the financial strength and stability of the overall Sumitomo Corporation group means sufficient funding will be available to enable the company to meet its liabilities for the foreseeable future.

As with any company placing reliance on other group entities for financial support the directors acknowledge there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Summit Renewable Energy Northwind Limited

Notes to the accounts *(forming part of the financial statements)*

1. Accounting policies (continued)

Investments

Investments are stated at cost less any provision for impairment in all cases where investments are joint ventures for the ultimate holding company.

Turnover

Turnover represents interest receivables on loans provided to joint venture and income received from dividend income from investments.

Revenue is measured at the fair value of the consideration received and represents amounts receivable in the normal course of business net of discounts, VAT and other sales related taxes.

Intangible fixed assets

Intangible fixed assets are valued at cost less amortisation, calculated on a straight-line basis over the estimated useful lives of the relevant assets, namely:

Intangible software 3 years

Taxation

Tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Financial Instruments

Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade receivables and loan receivables

Trade and loan receivables, including balances held with group companies, are measured on initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the profit and loss account when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. All transactions are recognised on their transaction date.

Summit Renewable Energy Northwind Limited

Notes to the accounts *(forming part of the financial statements)*

1. Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank balances and cash comprise time deposits with an original term of three months or less and interest is calculated by reference to Libor. The carrying amounts represent their fair value. As such no disclosure of fair value is required. All transactions are recognised on their transaction date.

Financial liabilities and equity

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Interest-bearing loan

Interest-bearing borrowings and overdrafts, including balances held with group companies, are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Trade payables

Trade payables, including balances held with group companies, are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. All transactions are recognised on their transaction date.

Foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Summit Renewable Energy Northwind Limited

Notes to the accounts (forming part of the financial statements)

2. Turnover

| | 2016 €'000 | 2015 €'000 |
|-------------------------------------------|---------------|---------------|
| Turnover is made up of: | | |
| Interest receivable on shareholders loans | 1,962 | 1,040 |
| Guarantee fee received from joint venture | 453 | 223 |
| | <u>2,415</u> | <u>1,263</u> |

3. Expenses and auditor's remuneration

| | 2016 €'000 | 2015 €'000 |
|-----------------------------------------------|---------------|---------------|
| Included in profit/loss are the following: | | |
| Service fee paid | 209 | 105 |
| Loss/(profit) on foreign exchange translation | 44 | (1) |
| Auditor's remuneration: | | |
| Audit of these financial statements | 8 | 10 |
| Tax advisory | 4 | - |
| | <u>8</u> | <u>-</u> |

4. Staff numbers and costs

The company has no employees other than directors and therefore no employee related costs were incurred during the year.

5. Remuneration of Directors

The company and its subsidiaries pay certain remuneration indirectly to directors of the company for the provision of various services. Emoluments calculated for disclosure purposes are as follows:

| | 2016 €'000 | 2015 €'000 |
|--------------------------------------------------------------------------------|---------------|---------------|
| Directors' remuneration: | | |
| Emoluments | 25 | - |
| Remuneration of the highest paid director (excluding pension contributions) | 25 | - |

Directors do not have share options and did not receive awards during the year in the form of shares under long-term incentive schemes (2015: nil). Directors' pension payments are borne by the ultimate parent company.

6. Interest payable and similar charges

| | 2016 €'000 | 2015 €'000 |
|-------------------------------------|---------------|---------------|
| Interest payable to group companies | 721 | 401 |
| Finance guarantee fee paid | 120 | 82 |
| | <u>841</u> | <u>483</u> |

Summit Renewable Energy Northwind Limited

Notes to the accounts *(forming part of the financial statements)*

7. Tax on profit on ordinary activities

(a) Recognised in the profit and loss account

| | 2016 €'000 | 2015 €'000 |
|---------------------------------------------|---------------|---------------|
| Current tax: | | |
| UK Corporation Tax on profit for the period | 271 | 134 |
| Adjustments in respect of prior years | 1 | 2 |
| | <u>272</u> | <u>136</u> |
| Total current tax charge | 272 | 136 |
| Tax on profit on ordinary activities | <u>272</u> | <u>136</u> |

(b) Reconciliation of effective tax rate

| | 2016 €'000 | 2015 €'000 |
|-----------------------------------------------------------------------|---------------|---------------|
| Profit for the financial year | 1,045 | 524 |
| Total tax expense | 272 | 136 |
| Profit excluding tax | <u>1,317</u> | <u>660</u> |
| Profit for the financial year | 1,317 | 660 |
| Tax using the UK corporation tax rate of 20% (2015:21%) | 263 | 139 |
| Effects of: | | |
| Non recoverable tax losses to be surrendered to other Group companies | - | (5) |
| Expenses not deductible for tax purposes | 8 | - |
| Adjustments to tax charge in respect of previous years | 1 | 2 |
| | <u>272</u> | <u>136</u> |
| Total tax expense | 272 | 136 |

(c) Factors affecting the tax charge for future periods

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly.

Summit Renewable Energy Northwind Limited

Notes to the accounts (forming part of the financial statements)

8. Investments held as fixed assets

| | Shares in Joint Ventures €'000 |
|-------------------------|-----------------------------------------------|
| <i>Cost</i> | |
| At 1 April 2015 | 45,523 |
| Additions | - |
| | <hr/> |
| At March 2016 | 45,523 |
| <i>Provisions</i> | |
| At 1 April 2015 | - |
| Provided in the year | - |
| | <hr/> |
| At end of year | - |
| At 31 March 2016 | 45,523 |
| | <hr/> <hr/> |
| At 31 March 2015 | 45,523 |
| | <hr/> <hr/> |

The Company has the following investments in jointly controlled entity:

| Name of interest | Type of business | Country of Incorporation/ registration | % of Ordinary shares capital held |
|------------------|------------------|----------------------------------------------|--------------------------------------|
| Northwind N.V. | Windpower | Belgium | 30 |

In relation to the project finance agreements, the company grants a first ranking pledge over the 100% of shares which the Company owns in Northwind N.V. as well as the receivables on shareholders loan as security for the repayment of the project loan liabilities Northwind N.V. has. It will be discharged upon the full repayment of the senior debts under the project finance agreements of Northwind N.V., which is expected on 30 June 2029.

9. Loans to joint ventures

| | Loans to Joint Ventures €'000 |
|---------------------------------|----------------------------------------------|
| <i>Cost</i> | |
| At 1 April 2015 | 21,207 |
| Additions | - |
| Repayment | (1,463) |
| | <hr/> |
| At March 2016 | 19,744 |
| <i>Provisions and Repayment</i> | |
| At 1 April 2015 | - |
| Provided in the year | - |
| | <hr/> |
| At end of year | - |
| At 31 March 2016 | 19,744 |
| | <hr/> <hr/> |
| At 31 March 2015 | 21,207 |
| | <hr/> <hr/> |

The interest on the loans is 9.5% and the maturity date is 15 August 2029.

Summit Renewable Energy Northwind Limited

Notes to the accounts *(forming part of the financial statements)*

10. Debtors

| | 2016 €'000 | 2015 €'000 |
|------------------------------------|---------------|---------------|
| Amounts owed by group undertakings | 3,041 | 1,401 |
| Amounts owed by joint venture | 590 | 727 |
| Other debtors | 1 | - |
| Prepayments and accrued income | 1 | 17 |
| | <u>3,633</u> | <u>2,145</u> |
| Total debtors: | | |
| Due within one year | <u>3,633</u> | <u>2,145</u> |

11. Creditors: Amounts falling due within one year

| | 2016 €'000 | 2015 €'000 |
|--------------------------------------------------------|---------------|---------------|
| Amounts owed to group undertakings - loans & advances | 500 | - |
| Amounts owed to group undertakings – trading creditors | 106 | 103 |
| Corporation tax | 141 | 105 |
| Other creditors | 3 | - |
| Accruals and deferred income | 155 | 218 |
| | <u>905</u> | <u>426</u> |

Amounts payable on loans are repayable within one year of the balance sheet date and bear interest rate at 0.85% .

12. Creditors: Amounts falling due after one year

| | 2016 €'000 | 2015 €'000 |
|-------------------------------------------------------|---------------|---------------|
| Amounts owed to group undertakings – loans & advances | <u>41,500</u> | <u>43,000</u> |

The loan amount of €20,000,000 is at fixed-interest rate with a maturity date of 15 January 2018 and the loan amount of €21,500,000 is at floating-rate based on LIBOR with a maturity date of 15 July 2021.

13. Capital and reserves

| | 2016 €'000 | 2015 €'000 |
|--------------------------------------------|---------------|---------------|
| Called up, allotted and fully paid: | | |
| 25,000,000 ordinary shares of €1 each | <u>25,000</u> | <u>25,000</u> |

Summit Renewable Energy Northwind Limited

Notes to the accounts *(forming part of the financial statements)*

14. Related parties

| | Turnover from 2016 €'000 | 2015 €'000 |
|----------------|-------------------------------------------------------|-----------------------|
| Joint ventures | 2,415 | 1,263 |
| | Receivables outstanding 2016 €'000 | 2015 €'000 |
| Joint ventures | 590 | 727 |

Turnover consists of €1,962,000 interest receivable on shareholders loans provided to Northwind N.V. as stated in note 9 and €453,000 guarantee fee received on project loans from Northwind N.V.. The guarantee fee is charged at 4.84% on total guaranteed amount of the loans. Receivables outstanding also relate to interest receivable on shareholders loans and guarantee fee receivable. Loan receivables balance to joint ventures are stated in note 9.

15. Accounting estimates and judgements

The preparation of financial statements in conformity with Financial Reporting Standard 101 Reduced Disclosure Framework requires management to make judgements, estimates and assumptions that affect the application of policies and reported annual amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. 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 that period.

The company believes the principal accounting estimates and assumptions employed in the preparation of these financial statements are recoverability of loan to joint ventures and impairment of investments in joint ventures. The directors consider all available information and no provision and impairment loss are recognised during the year (2015: nil).

16. Commitments

In relation to the project finance agreements, the company is a guarantor to Northwind N.V.. The total guaranteed amount is €9,590,860.60 as at the balance sheet date of these financial statements, which is fully guaranteed by Sumitomo Corporation Europe Ltd., the Sumitomo group company.

17. Ultimate parent company and parent company

The immediate parent company is Summit Renewable Energy Limited, a company incorporated in the United Kingdom and the ultimate parent company is Sumitomo Corporation, a company incorporated in Japan.

Sumitomo Corporation heads the largest and smallest group in which the company is a member and for which group accounts are prepared. The group accounts for Sumitomo Corporation are available at 8-11 Harumi, 1-chome, Chuo-ku, Tokyo, Japan.