

Directors' Report and  
Financial Statements for the Year Ended 31 December 2016  
for  
Thrive Renewables (Kessingland) Limited



Contents of the Financial Statements  
for the Year Ended 31 December 2016

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	Page
Company Information	1
Directors' Report	2
Report of the Independent Auditors	5
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11

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Thrive Renewables (Kessingland) Limited

Company Information  
for the Year Ended 31 December 2016

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**DIRECTORS:** Matthew Clayton  
Katrina Cross  
Monika Paplaczuk

**REGISTERED OFFICE:** Thrive Renewables plc  
Deanery Road  
Bristol  
BS1 5AS

**REGISTERED NUMBER:** 06330517 (England and Wales)

**INDEPENDENT AUDITORS:** PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

**SOLICITORS:** TLT Solicitors LLP  
One Redcliff Street  
Bristol  
BS1 6TP

Directors' Report  
for the Year Ended 31 December 2016

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The directors present their report with the audited financial statements of the company for the year ended 31st December 2016.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

**PRINCIPAL ACTIVITY**

The principal activity of the company during the year was the operation of an on-shore wind farm in Kessingland, Norfolk.

**REVIEW OF BUSINESS**

The profit for the financial year amounted to £520,036 (2015: £704,408). The directors consider the future prospects of the company to be favourable with the continued operation of the on-shore wind farm in Kessingland, Norfolk.

**DIVIDENDS**

The directors do not recommend the payment of a dividend (2015: £900,000).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

Matthew Clayton  
Katrina Cross  
Monika Paplaczyk

Other changes in directors holding office are as follows:

Triodos Corporate Officer Limited - resigned 16 March 2016

## **FINANCIAL RISK MANAGEMENT**

The main financial risks arising from the company's activities are liquidity risk, commodity price risk and credit risk.

### **Liquidity risk**

The company's approach to managing liquidity is to ensure, as far as possible, that it has sufficient funds to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. It achieves this by monitoring cash flow forecasts on a 'rolling forecast' basis to ensure it has sufficient cash to meet operational needs while maintaining enough headroom on its cash reserves at all times so as not to breach borrowing limits or covenants.

### **Commodity price risk**

The company's operations result in exposure to fluctuations in energy prices. In order to manage this, management ensures that the company enters in to sale contracts where the price is fixed for an extended period. Management also ensures that once the fixed period has concluded, the contract includes a minimum renewal price (a 'floor price'). This ensures that the profits can be maintained at a minimum level to ensure the ongoing profitability of the company.

### **Credit risk**

The company's exposure to credit risk arises from its debtors from customers. At the statement of financial position date the directors have concluded that no provision for doubtful debts is necessary and believe that there is no further credit risk.

Directors' Report  
for the Year Ended 31 December 2016

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**DIRECTORS' RESPONSIBILITIES STATEMENT**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

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

The directors are responsible for 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.

The directors 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
Matthew Clayton - Director

Date: 28-07-17 .....

## **REPORT ON THE FINANCIAL STATEMENTS**

### **Our opinion**

In our opinion, Thrive Renewables (Kessingland) Limited's financial statements (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 United Kingdom Generally Accepted Accounting Practice; and
- have been properly in accordance with the requirements of the Companies Act 2006.

### **What we have audited**

The financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

### **OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

### **OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

#### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or

- 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.

We have no exceptions to report arising from this responsibility.

### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

## **RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT**

### **Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement set-out on page 4, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

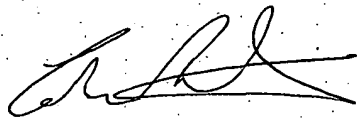


Report of the Independent Auditors to the Members of  
Thrive Renewables (Kessingland) Limited

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We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report 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. With respect to the Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Colin Bates (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

Date: 28th July 2017

Statement of Comprehensive Income  
for the Year Ended 31 December 2016

	Notes	2016 £	2015 £
<b>TURNOVER</b>		1,470,102	1,702,883
Cost of sales		<u>(537,134)</u>	<u>(542,973)</u>
<b>GROSS PROFIT</b>		932,968	1,159,910
Administrative expenses		<u>(92,744)</u>	<u>(102,573)</u>
<b>OPERATING PROFIT</b>		840,224	1,057,337
Interest receivable and similar income		<u>1,962</u>	<u>2,682</u>
		842,186	1,060,019
Interest payable and similar expenses	3	<u>(219,990)</u>	<u>(231,025)</u>
<b>PROFIT BEFORE TAXATION</b>	4	622,196	828,994
Tax on profit	6	<u>(102,160)</u>	<u>(124,586)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		520,036	704,408
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>520,036</u></u>	<u><u>704,408</u></u>

The notes on pages 11 to 22 form part of these financial statements

Thrive Renewables (Kessingland) Limited (Registered number: 06330517)

Balance Sheet  
31 December 2016

	Notes	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible assets	10	5,175,463	5,528,337
<b>CURRENT ASSETS</b>			
Debtors	11	395,565	551,484
Cash at bank		929,973	591,213
		<u>1,325,538</u>	<u>1,142,697</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	(822,150)	(729,868)
<b>NET CURRENT ASSETS</b>		<u>503,388</u>	<u>412,829</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,678,851	5,941,166
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(4,610,153)	(5,387,736)
<b>PROVISIONS FOR LIABILITIES</b>	17	(425,763)	(430,531)
<b>NET ASSETS</b>		<u>642,935</u>	<u>122,899</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	100	100
Retained earnings	19	642,835	122,799
<b>SHAREHOLDERS' FUNDS</b>		<u>642,935</u>	<u>122,899</u>

The financial statements on pages 8 to 22 were approved by the Board of Directors on 28/07/16 and were signed on its behalf by:

  
.....  
Katrina Cross - Director

The notes on pages 11 to 22 form part of these financial statements

Statement of Changes in Equity  
for the Year Ended 31 December 2016

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	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2015</b>	100	368,391	368,491
<b>Changes in equity</b>			
Dividends	-	(950,000)	(950,000)
Total comprehensive income	-	704,408	704,408
<b>Balance at 31 December 2015</b>	<u>100</u>	<u>122,799</u>	<u>122,899</u>
<b>Changes in equity</b>			
Total comprehensive income	-	520,036	520,036
<b>Balance at 31 December 2016</b>	<u><u>100</u></u>	<u><u>642,835</u></u>	<u><u>642,935</u></u>

The notes on pages 11 to 22 form part of these financial statements

**1. STATUTORY INFORMATION**

Thrive Renewables (Kessingland) Limited is a private company, limited by shares. It is domiciled and incorporated in the UK and registered in England & Wales.

The company's registered number and office address can be found on the company information page.

## 2. ACCOUNTING POLICIES

### **Basis of preparation**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of derivative financial assets and financial liabilities measured at fair value through profit or loss.

The particular accounting policies adopted, which have been applied consistently throughout the current and the prior financial year, are described below.

The company has taken advantage of the following disclosure exemptions, where applicable, in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework".

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
  - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statements of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134 (f) and 145(c) to 135(e) of IAS 36 Impairments of Assets.

### **New standards, amendments and ifric interpretations**

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2016, have had a material impact on the company.

**2. ACCOUNTING POLICIES - continued**

**Turnover**

Turnover, which is stated net of value added tax, represents amounts receivable in relation to the company's principal activities in the United Kingdom.

Revenue from the supply of electricity represents the value of electricity generated under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. The directors consider that there is only one class of business and hence segmental information by class is not provided. The total turnover of the group for the financial year has been derived from its principal activity wholly undertaken in the UK.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - Straight line over 20 years

## 2. ACCOUNTING POLICIES - continued

### 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. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

#### Financial assets

On initial recognition, financial assets are classified into held-to-maturity investments held-for-trading; designated as at fair value through profit or loss; loans and receivables; or available-for-sale financial assets.

#### Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

#### Impairment of financial assets

Financial assets, other than those at fair value through profit and loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flow of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

#### Financial liabilities and equity

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

#### Equity instruments

As equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.



**2. ACCOUNTING POLICIES - continued**

**Financial liabilities**

Financial liabilities are classified as either financial liabilities "at fair value through profit and loss" or "other financial liabilities".

**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 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.

**Taxation**

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised only to the extent that the directors consider that it is probable that there will be suitable taxable profits against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

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2. **ACCOUNTING POLICIES - continued**

**Going concern**

The financial statements adopt the going concern basis on the grounds that the directors believe the company has adequate resources to continue in operational existence for the foreseeable future. Further details are included in the Directors' Report.

3. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2016	2015
	£	£
Bank loan interest	<u>219,990</u>	<u>231,025</u>

4. **PROFIT BEFORE TAXATION**

The profit before taxation is stated after charging/(crediting):

	2016	2015
	£	£
Other operating leases	54,128	51,285
Depreciation - owned assets	352,874	352,872
Foreign exchange differences	<u>(1,622)</u>	<u>5,007</u>

5. **AUDITORS' REMUNERATION**

	2016	2015
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>2,500</u>	<u>2,827</u>

Auditor remuneration is disclosed above. Fees payable to the company's auditor for non-audit services to the company are not required to be disclosed because these are disclosed in the consolidated financial statements of Thrive Renewables plc.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

6. TAXATION

Analysis of tax expense

	2016 £	2015 £
Current tax	106,927	131,685
Deferred tax	(4,767)	(7,109)
Total tax expenses in statement of comprehensive income	<u>102,160</u>	<u>124,586</u>

Factors affecting the tax expense

The tax assessed for the year is lower (2015 - lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
(Loss)/profit before income tax	<u>622,196</u>	<u>828,994</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	124,439	167,843
Effects of:		
Expenses not deductible for tax purposes	5,019	5,082
Effects of changes in tax rate	(27,298)	(48,339)
Tax expense	<u>102,160</u>	<u>124,586</u>

7. DIVIDENDS

	2016 £	2015 £
Dividend paid of £0.00 per share (2015: £950.00 per share)	<u>-</u>	<u>950,000</u>

The payment of the dividend has no tax consequences for the company.

8. INFORMATION REGARDING DIRECTORS AND EMPLOYEES.

The company had no employees in either year. The remuneration of the directors was paid by and is dealt with in the financial statements of Thrive Renewables plc. It is not practicable to allocate their remuneration between their services as directors of Thrive Renewables plc and their services as directors of other companies within the Thrive Renewables plc group. The directors are considered to be the key management.

**9. CRITICAL ACCOUNTING JUDGEMENTS & SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in note 2 above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

**Impairment of tangible fixed assets**

Determining whether tangible fixed assets are impaired requires an estimation of the value in use of the related assets. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the asset and a pre-tax discount rate of 10% in order to calculate present value. Forecast wind volumes are based on wind studies carried out at the commencement of each project, adjusted for experience as necessary. Electricity prices are determined with reference to externally sourced forward price curves, on contracted rates as appropriate. Forecasts cover the expected life of each project. There is no evidence of impairment.

**10. TANGIBLE FIXED ASSETS**

	Plant and machinery £
<b>COST</b>	
At 1 January 2016 and 31 December 2016	7,057,451
<b>DEPRECIATION</b>	
At 1 January 2016	1,529,114
Charge for year	352,874
At 31 December 2016	1,881,988
<b>NET BOOK VALUE</b>	
At 31 December 2016	5,175,463
At 31 December 2015	5,528,337

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Owed by group undertakings	104,560	104,560
Prepayments and accrued income	291,005	446,924
	<u>395,565</u>	<u>551,484</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Bank loans and overdrafts (see note 14)	356,294	321,327
Trade creditors	7,859	22,228
VAT	31,088	38,977
Group relief creditor	371,316	264,388
Accruals and deferred income	55,593	82,948
	<u>822,150</u>	<u>729,868</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Bank loans (see note 14)	4,143,706	4,500,000
Amounts owed to group undertakings	466,447	887,736
	<u>4,610,153</u>	<u>5,387,736</u>

The amounts owed to group undertakings are unsecured and interest free.

14. FINANCIAL LIABILITIES - BORROWINGS

	2016	2015
	£	£
Current:		
Bank loans	<u>356,294</u>	<u>321,327</u>
Non-current:		
Bank loans	<u>4,143,706</u>	<u>4,500,000</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

14. **FINANCIAL LIABILITIES - BORROWINGS - continued**

Terms and debt repayment schedule

	1 year or less £	1-2 years £	2-5 years £	More than 5 years £	Totals £
Bank loans	356,294	372,402	1,221,304	2,550,000	4,500,000

15. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016 £	2015 £
Within one year	30,000	30,000
Between one and five years	120,000	120,000
In more than five years	480,000	510,000
	<u>630,000</u>	<u>660,000</u>

16. **FINANCIAL INSTRUMENTS**

Fair value of financial instruments

All financial instruments are held at amortised cost other than derivatives which are held at fair value. The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximates to their fair values. Where the financial instruments are of short maturity, the carrying value is equal to their fair value.

17. **PROVISIONS FOR LIABILITIES**

	2016 £	2015 £
Deferred tax		
Accelerated capital allowances	425,763	430,531
		Deferred tax £
Balance at 1 January 2016		430,531
Origination and reversal of timing differences		22,530
Effect of changes to tax rates		<u>(27,298)</u>
Balance at 31 December 2016		<u>425,763</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2016	2015
Number:	Class:		£	£
100	Ordinary	£1	100	100

19. RESERVES

	Retained earnings £
At 1 January 2016	122,799
Profit for the year	520,036
	<u>642,835</u>
At 31 December 2016	<u>642,835</u>
	Retained earnings £
At 1 January 2015	368,391
Profit for the year	704,408
Dividends	(950,000)
	<u>122,799</u>
At 31 December 2015	<u>122,799</u>

The retained earnings represents the accumulated profits, losses and distributions of the company.

20. ULTIMATE PARENT COMPANY

Thrive Renewables plc is regarded by the directors as being the company's ultimate parent undertaking, a company incorporated in England and Wales, and is the smallest and largest group of undertakings to consolidate these financial statements.

Copies of the consolidated financial statements of Thrive Renewables plc can be obtained from the Company Secretary at Deanery Road, Bristol, BS1 5AS.

The company's ultimate controlling party at 31 December 2015 was Stichting Triodos Holdings. Further to an agreement between Thrive Renewables plc and Triodos Bank, on 29 February 2016 the company bought back the controlling A share from Stichting Triodos Holding and this share was subsequently cancelled. As a result, subsequent to 29 February 2016, the directors regard Thrive Renewables plc as the ultimate controlling party.

**21. RELATED PARTY DISCLOSURES**

As a wholly-owned subsidiary Thrive Renewables plc, the company has taken advantage under Financial Reporting Standard 101 of the exemption from the requirement to disclose related party transactions within the group.