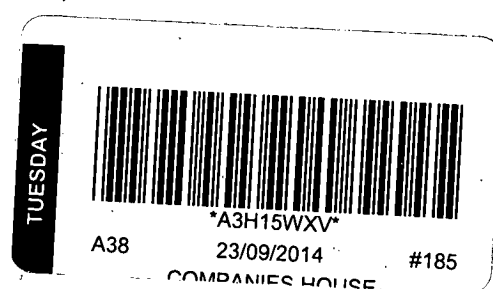


Company Registration Number 06330517

**TRIODOS RENEWABLES (KESSINGLAND)
LIMITED**

Report and Financial Statements

31 December 2013



TRIODOS RENEWABLES (KESSEINGLAND) LIMITED

REPORT AND FINANCIAL STATEMENTS 2013

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TRIODOS RENEWABLES (KESSINGLAND) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Matthew Clayton
Triodos Corporate Officer Limited
Katrina Cross

COMPANY SECRETARY

Triodos Corporate Officer Limited

REGISTERED OFFICE

Triodos Bank NV
Deanery Road
Bristol
BS1 5AS

BANKERS

Triodos Bank NV
Deanery Road
Bristol
BS1 5AS

SOLICITORS

TLT Solicitors LLP
One Redcliff Street
Bristol
BS1 6TP

AUDITOR

Deloitte LLP
Bristol

TRIODOS RENEWABLES (KESSINGLAND) LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2013.

This directors' report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies' exemption.

PRINCIPAL ACTIVITY

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

RESULTS AND DIVIDENDS

The trading results for the financial year and the company's position at the year-end are shown in the attached financial statements. The directors consider the future prospects of the company to be favourable. During the year the company paid interim dividends of £550,000 (2012: £600,000).

DIRECTORS

The directors of the company who served throughout the year and subsequently, unless otherwise stated, are as shown on page 1.

Mr D Hird resigned as a director on 4 January 2013.

GOING CONCERN

The company operates within the electricity industry and benefits from long-term contracted revenues. In addition, the directors consider that the company and the group, of which it is a part, have sufficient cash funds and finance facilities available for future investment and cash flow needs going forward.

After making enquiries, 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 in preparing the annual report and accounts.

AUDITOR

In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

Deloitte LLP have indicated their willingness to continue in office as the company's auditor and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

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



On behalf of Triodos Corporate Officer Limited
Secretary

TRIODOS RENEWABLES (KESSINGLAND) LIMITED

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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 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 TRIODOS RENEWABLES (KESSINGLAND) LIMITED

We have audited the financial statements of Triodos Renewables (Kessingland) Limited for the year ended 31 December 2013 which comprise the profit and loss account, the balance sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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.

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 2013 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 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 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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report or in preparing the directors' report.

Mark Taylor

Mark Taylor (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Bristol, United Kingdom

19 September 2014

TRIODOS RENEWABLES (KESSINGLAND) LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2013

| | Note | 2013 £ | 2012 £ |
|--|------|-----------|-----------|
| TURNOVER | 1 | 1,522,253 | 1,527,570 |
| Cost of sales | | (538,010) | (523,474) |
| GROSS PROFIT | | 984,243 | 1,004,096 |
| Administrative expenses | | (92,535) | (92,374) |
| OPERATING PROFIT | | 891,708 | 911,722 |
| Interest receivable and similar income | | - | 2,026 |
| Interest payable and similar charges | | (275,640) | (284,411) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 3 | 616,068 | 629,337 |
| Tax on profit on ordinary activities | 4 | (57,619) | (137,587) |
| PROFIT FOR THE FINANCIAL YEAR | 13 | 558,449 | 491,750 |

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the profit for the current financial year and the prior financial period. Accordingly, no separate statement of total recognised gains and losses has been presented.

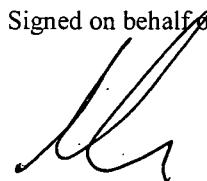
TRIODOS RENEWABLES (KESSINGLAND) LIMITED

BALANCE SHEET
At 31 December 2013

| | Note | 2013 | 2012 |
|--|------|-----------------------|-----------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 6 | 6,234,081 | 6,574,913 |
| CURRENT ASSETS | | | |
| Debtors | 7 | 335,469 | 337,708 |
| Cash at bank and in hand | | 558,909 | 208,701 |
| | | <u>894,378</u> | <u>546,409</u> |
| CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 8 | (446,882) | (396,914) |
| NET CURRENT ASSETS | | <u>447,496</u> | <u>149,495</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>6,681,577</u> | <u>6,724,408</u> |
| CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | 9 | (5,628,945) | (5,701,562) |
| PROVISIONS FOR LIABILITIES | 10 | (287,988) | (266,651) |
| NET ASSETS | | <u><u>764,644</u></u> | <u><u>756,195</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 12 | 100 | 100 |
| Profit and loss account | 13 | 764,544 | 756,095 |
| SHAREHOLDERS' FUNDS | 13 | <u><u>764,644</u></u> | <u><u>756,195</u></u> |

The financial statements of Triodos Renewables (Kessingland) Limited, registered number 06330517, were approved by the Board of Directors and authorised for issue on *19 September 2014*

Signed on behalf of the Board of Directors



Matthew Clayton
Director

TRIODOS RENEWABLES (KESSINGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2013

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current financial year and the prior financial year, are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

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 for the period.

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.

Cash flow statement

The company has taken advantage of the exemption conferred on small companies by Financial Reporting Standard 1 and has not produced a cash flow statement as part of these financial statements.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|---------------------|---------------|
| Plant and machinery | over 20 years |
|---------------------|---------------|

Tangible fixed assets are not depreciated until they are available for use.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Leases

Rentals in respect of operating leases are charged to the profit and loss account in equal annual amounts over the lease term.

TRIODOS RENEWABLES (KESSINGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2013

1. ACCOUNTING POLICIES (continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate 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.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The company had no employees in either period. The remuneration of the directors was paid by and is dealt with in the accounts of Triodos Renewables plc. It is not practicable to allocate their remuneration between their services as directors of Triodos Renewables plc and their services as directors of other companies within the Triodos Renewables plc group.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

| | 2013 £ | 2012 £ |
|---|-------------------|-------------------|
| Profit on ordinary activities before taxation is stated after charging: | | |
| Depreciation | 353,733 | 357,576 |
| Operating lease charges – land and buildings | 51,836 | - |
| Auditor's remuneration – audit services | 5,004 | 3,054 |
| Foreign exchange losses | 1,677 | 7,326 |
| | <u> </u> | <u> </u> |

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

| | 2013 £ | 2012 £ |
|--|-------------------|-------------------|
| Current taxation | | |
| United Kingdom corporation tax: | | |
| Current tax on income for the year at 23.25% (2012: 24.5%) | 36,282 | - |
| | <u> </u> | <u> </u> |
| Deferred taxation | | |
| Origination and reversal of timing differences | 112,039 | 172,253 |
| Effect of changes to tax rates | (57,553) | (23,736) |
| Increase in discount | (40,708) | (21,287) |
| Adjustment in respect of previous periods | 7,559 | 10,357 |
| | <u> </u> | <u> </u> |
| | 21,337 | 137,587 |
| | <u> </u> | <u> </u> |
| Tax on profit on ordinary activities | 57,619 | 137,587 |
| | <u> </u> | <u> </u> |

TRIODOS RENEWABLES (KESSINGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2013

4. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

The difference between the current taxation shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

| | 2013 £ | 2012 £ |
|--|---------------|-----------|
| Profit on ordinary activities before tax | 616,068 | 629,337 |
| | <u>£</u> | <u>£</u> |
| Tax on profit on ordinary activities before tax at 23.25% (2012: 24.5 %) | 144,776 | 154,186 |
| Factors affecting charge for the year | | |
| Capital allowances in excess of depreciation | (107,021) | (172,252) |
| Group relief surrendered | - | 8,610 |
| Expenses not deductible for tax purposes | 4,294 | 9,456 |
| Utilisation of tax losses brought forward | (5,017) | - |
| Effects of small companies rate | (750) | - |
| | <u>36,282</u> | <u>-</u> |
| Current tax charge for the period | | |

The forthcoming phased change in the corporation tax rate to 20% in future years will not materially affect the future tax charge.

5. DIVIDENDS

| | 2013 £ | 2012 £ |
|---|----------------|----------------|
| Dividend paid of £5,500 per share (2012 - £6,000) | 550,000 | 600,000 |
| | <u>550,000</u> | <u>600,000</u> |

TRIODOS RENEWABLES (KESSEINGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2013

6. TANGIBLE FIXED ASSETS

| | Plant and machinery £ |
|---------------------------------|--------------------------------------|
| Cost | |
| At 1 January 2013 | 7,044,510 |
| Additions | 12,941 |
| | <hr/> |
| At 31 December 2013 | 7,057,451 |
| | <hr/> |
| Accumulated depreciation | |
| At 1 January 2013 | 469,637 |
| Charge for the year | 353,733 |
| | <hr/> |
| At 31 December 2013 | 823,370 |
| | <hr/> |
| Net book value | |
| At 31 December 2013 | 6,234,081 |
| | <hr/> |
| At 31 December 2012 | 6,574,913 |
| | <hr/> |

7. DEBTORS

| | 2013 £ | 2012 £ |
|--------------------------------|-------------------|-------------------|
| Trade debtors | 10,119 | - |
| Prepayments and accrued income | 325,350 | 337,708 |
| | <hr/> | <hr/> |
| | 335,469 | 337,708 |
| | <hr/> | <hr/> |

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2013 £ | 2012 £ |
|------------------------------------|-------------------|-------------------|
| Bank loans (secured – note 11) | 299,634 | 289,343 |
| Trade creditors | 16,558 | 43,575 |
| Other taxation and social security | 45,204 | 27,300 |
| Accruals and deferred income | 49,204 | 36,696 |
| Corporation tax | 4,615 | - |
| Group relief creditor | 31,667 | - |
| | <hr/> | <hr/> |
| | 446,882 | 396,914 |
| | <hr/> | <hr/> |

TRIODOS RENEWABLES (KESSINGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2013

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

| | 2013 | 2012 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Bank loans (secured – note 11) | 5,131,618 | 5,431,252 |
| Amounts owed to group undertakings | 497,327 | 270,310 |
| | <u>5,628,945</u> | <u>5,701,562</u> |

10. PROVISIONS FOR LIABILITIES

| | 2013 | 2012 |
|--|----------------|----------------|
| | £ | £ |
| The movement in the deferred taxation provision during the year was: | | |
| Provision brought forward | 266,651 | 129,064 |
| Charge to profit and loss account | 21,337 | 137,587 |
| | <u>287,988</u> | <u>266,651</u> |

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

| | £ | £ |
|--------------------------------|----------------|----------------|
| Accelerated capital allowances | 375,654 | 320,212 |
| Losses | - | (6,603) |
| Discount | (87,666) | (46,958) |
| | <u>287,988</u> | <u>266,651</u> |

11. BORROWINGS

| | 2013 | 2012 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Analysis of loan repayments | | |
| Bank loans | | |
| - within one year | 299,634 | 289,343 |
| - within one to two years | 310,291 | 299,634 |
| - within three to five years | 1,044,305 | 984,216 |
| - after five years | 3,777,022 | 4,147,402 |
| | <u>5,431,252</u> | <u>5,720,595</u> |

Bank loans of £5,431,252 are all held with Triodos Bank NV, a related party. £931,252 of the loans bear interest at 2% over Bank of England base rate with a minimum rate of 3.5% and is repayable over 5 years. £1,950,000 is at a fixed rate of 4.93% for the 10 year term of the loan and is interest-only for five years. £950,000 is at a fixed rate of 5.47% for the 12 year term of the loan and is interest-only for ten years. £1,600,000 is at a fixed rate of 5.47% for the 15 year term of the loan and is interest-only for 11 years. All bank loans are secured by fixed and floating charges on the assets of the company.

TRIODOS RENEWABLES (KESSINGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2013

| | | |
|---------------------------------------|-------------|-------------|
| 12. CALLED UP SHARE CAPITAL | 2013 | 2012 |
| | £ | £ |
| Allotted, called up and unpaid | | |
| 100 Ordinary shares of £1 each | 100 | 100 |
| | <u>100</u> | <u>100</u> |

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

| | Called up share capital £ | Profit and loss account £ | Total 2013 £ | Total 2012 £ |
|------------------------------------|------------------------------------|------------------------------------|--------------------|--------------------|
| Opening shareholders' funds | 100 | 756,095 | 756,195 | 864,445 |
| Profit for the financial year | - | 558,449 | 558,449 | 491,750 |
| Dividends paid | - | (550,000) | (550,000) | (600,000) |
| Closing shareholders' funds | <u>100</u> | <u>764,544</u> | <u>764,644</u> | <u>756,195</u> |

14. COMMITMENTS UNDER OPERATING LEASES

At 31 December, the company had annual commitments under non-cancellable operating leases as set out below:

| | Land and buildings 2013 £ | 2012 £ |
|--|---------------------------------|-----------|
| Operating leases which expire after more than five years | 30,000 | - |
| | <u>30,000</u> | <u>-</u> |

15. RELATED PARTY TRANSACTIONS

As a wholly-owned subsidiary of Triodos Renewables plc, the company has taken advantage of the exemption under Financial Reporting Standard 8 not to disclose related party transactions with group companies.

All of the company's banking and loan facilities are provided by Triodos Bank NV, the company's ultimate controlling party. There are no favourable terms attached to the facilities provided.

16. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The directors regard Triodos Renewables plc as the company's ultimate parent undertaking. Triodos Renewables plc is the parent of the smallest and largest group of which the company is a member and for which group financial statements are prepared. Copies of the financial statements of Triodos Renewables plc can be obtained from the company secretary at the registered office.

The company's ultimate controlling party is Triodos Bank NV.