Company Registration No. 03338991

AES WIND GENERATION ASSET MANAGEMENT SERVICES LIMITED

Annual Report and Financial Statements

31 December 2014

AES WIND GENERATION ASSET MANAGEMENT SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2014

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AES WIND GENERATION ASSET MANAGEMENT SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS

The following directors were in office during the financial year ended 31 December 2014 and subsequently, except where noted:

Name	Appointed	Resigned
Tihomir Mladenov		6 October 2014
Mark Miller		6 October 2014
Ian Luney	6 October 2014	
Mark Reynolds		

COMPANY SECRETARY

Tihomir Mladenov		6 October 2014

REGISTERED OFFICE

21 St Thomas Street
Bristol
United Kingdom
BS1 6JS

AUDITORS

Ernst & Young LLP
16 Bedford Street
Belfast
BT2 7DT

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 December 2014.

RESULTS AND DIVIDENDS

The company's results for 2014 showed a profit after taxation of £715,000 (2013: profit after taxation of £555,000).

The directors do not recommend the payment of a dividend (2013: £nil).

ACTIVITIES, REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The principal activity of the company is to provide project management, operations, maintenance and administration services to operational wind farms in Europe.

No key financial and other performance indicators have been identified for this company.

As at the date of signing these accounts, the company is not expected to continue operations in the foreseeable future. As a result, the financial statements have been prepared on a basis other than that of going concern.

FINANCIAL RISK MANAGEMENT

The company's activities are exposed to a number of financial risks which the directors considered to be the company's principal risks. The group to which the company belongs has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring the levels of debt finance and related finance costs. The company does not use derivative financial instruments for speculative purposes.

Credit risk
The company's principal financial assets are bank balances, cash and other receivables. The company's credit risk is primarily attributable to its receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The credit risk on liquid funds is limited because the counter parties are banks with high credit-ratings assigned by international credit-rating agencies. The company has no significant concentration of credit risk, with exposure spread over large number of related parties.

Currency risk
Fluctuations in foreign exchange rates can have significant effects on the company's reported results. The management of such risks is performed at group level. AES's foreign exchange management policy is to minimise economic and significant transactional exposures arising from currency movements against the US dollar. The group co-ordinates the handling of foreign exchange risks centrally.

Liquidity risk
The company minimises liquidity risk by regular preparation of cash flow forecasts and has access to a short term credit facility.

DIRECTORS

The directors of the company who served throughout the year and to the date of these financial statements (except as noted) are given on page 1.

DIRECTORS' INDEMNITY

The company indemnifies the directors in its Articles of Association to the extent allowed under section 232 of the Companies Act 2006.

STRATEGIC REPORT

The directors have not prepared a strategic report as the company is entitled to the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

DIRECTORS' REPORT

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

So far as each of the directors in office at the date of approval of these financial statements is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

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

Ian Luney

Director

11 September 2015

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing 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 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on a basis other than that of going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that they have complied with these requirements and, having stated their intention to deregister the company, have prepared the financial statements on a basis other than that of going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

AES WIND GENERATION ASSET MANAGEMENT SERVICES LIMITED

We have audited the financial statements of AES Wind Generation Asset Management Services Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 17. 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). As set out in note 1 these financial statements have been prepared on a basis other than that of going concern.

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 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). 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 Directors' 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 2014 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 in not preparing the Strategic Report.

Ernst + Young LLP

Keith Jess (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast
16 September 2015

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2014

	Notes	2014 £'000	2013 £'000
Turnover	2	**1,376**	1,190
Cost of sales		**(188)**	(649)
GROSS PROFIT		**1,188**	541
Administrative expenses		**(458)**	(350)
Operating expense, net	3	**-**	(164)
OPERATING PROFIT		**730**	27
Finance (expense)/income	7	**(15)**	5
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	**715**	32
Tax on ordinary activities	8	**-**	523
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		**715**	555

All of the results relate to continuing operations in the current year.

There are no recognised gains or losses or other movements in shareholder's funds for the current and preceding financial year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses has been prepared.

BALANCE SHEET
As at 31 December 2014

	Notes	2014 £'000	2013 £'000
FIXED ASSETS			
Intangible assets	9	-	18
Tangible assets	10	-	31
		-	49
CURRENT ASSETS			
Other current assets	11	**20**	-
Debtors	12	**961**	872
Cash at bank and in hand		**190**	653
		1,171	1,525
CREDITORS: Amounts falling due within one year	13	**(1,064)**	(2,182)
NET CURRENT ASSETS/(LIABILITIES)		**107**	(657)
TOTAL ASSETS LESS CURRENT LIABILITIES		**107**	(608)
NET ASSETS/(LIABILITIES)		**107**	(608)
CAPITAL AND RESERVES			
Called up share capital	14	-	-
Share premium	15	**2,124**	2,124
Profit and loss account	15**Error! Bookmark not defined.**	**(2,017)**	(2,732)
SHAREHOLDER'S FUND/(DEFICIT)	16	**107**	(608)

These financial statements were approved by the Board of Directors on 11 September 2015.

Signed on behalf of the Board of Directors

Ian Luney

Director

11 September 2015

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2014

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The principal accounting policies adopted are described below and have all been applied consistently throughout both the current and preceding year.

Basis of accounting
The financial statements are prepared under the historical cost convention.

Basis of preparation
It is management's intention to deregister the company in the foreseeable future, either by strike-off or liquidation.

As explained in the Directors' Report, the financial statements have been prepared on a basis other than that of going concern which includes, where appropriate, writing down the company's assets to net realizable value and reclassifying the fixed assets and long term liabilities to current assets and current liabilities respectfully.

Cash flow statement
The company is exempt from preparing a cash flow statement under the terms of Financial Reporting Standard (FRS) 1 (1996) as it is a wholly-owned subsidiary, for which the ultimate parent company prepares consolidated financial statements which include the results of the company and are publicly available.

Revenue recognition
Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, customs duties and sales taxes.

Administrative expenses
Administrative expenses and similar charges are recognised in the Profit and Loss Account as the service is received.

Intangible assets
Intangible assets comprise of expenditure for computer software and are stated at cost, net of amortization and any provision for impairment. The expected useful lives of the asset is reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

Tangible fixed assets
Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. The capitalised value of a finance lease is also included within tangible fixed assets. Depreciation is provided in equal annual instalments over the estimated useful lives of the assets. The estimated useful lives are:

Motor vehicles	- 5 years
Computer hardware	- 3 years

Debtors
Debtors are carried at the original invoice amount, less allowances made for doubtful receivables. Provision is made when there is objective evidence that the company will be unable to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Trade and other creditors
Trade and other creditors are carried at payment or settlement amounts. If the effect of the time value of money is material, trade and other creditors are determined by discounting the expected future cash flows at a pre-tax rate.

Foreign currency translation
Transactions expressed in foreign currencies are translated into sterling at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing at the year end. Any resulting gains or losses are taken to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2014

1. ACCOUNTING POLICIES (CONTINUED)

Taxation
Current 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 is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

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

Use of estimates
The preparation of accounts in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from those estimates.

2. TURNOVER

Turnover, which is stated net of value added tax, customs duties and sales taxes represents amounts invoiced to third parties.

3. OTHER OPERATING EXPENSES, NET

	2014 £'000	2013 £'000
Services provided by group undertakings	-	171
Other income	-	(7)
	-	164

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2014 £'000	2013 £'000
Profit on ordinary activities before taxation is stated after charging:		
Depreciation of tangible assets – owned (note 10)	**11**	13
Amortisation (note 9)	**5**	5

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2014

5. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The directors received total remuneration for the year of £998,336 (in 2013: £1,152,790), all of which was paid by various subsidiaries of the AES Corporation. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as employees of other companies within AES Corporation.

6. AUDITOR'S REMUNERATION

	2014 £'000	2013 £'000
Fees for the audit of the company	**15**	15

7. FINANCE (EXPENSE) / INCOME

	2014 £'000	2013 £'000
Foreign exchange (losses)/gains	**(15)**	5

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2014 £'000	2013 £'000
Current tax		
UK corporation tax charge on profit for the period	-	-
Adjustments in respect of previous periods	-	523
Tax credit on ordinary activities	-	523

Factors affecting the current tax credit

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

	2014 £'000	2013 £'000
Profit on ordinary activities before taxation	715	32
Tax on profit on ordinary activities at standard UK corporation tax rate of 21.49% (2013: 23.25%)	(154)	(7)
Effect of:		
Permanent differences	3	(26)
Group relief claim / (surrendered) for no consideration	151	33
Adjustments in respect of prior periods	-	523
Tax credit for the period	-	523

8. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

There is an unrecognised deferred tax asset of £12,000 (2013: £12,000) in respect of fixed asset timing differences. A deferred tax asset has not been recognised as there is insufficient evidence that the asset will be recovered. The asset would be recovered should the company make suitable taxable profits in the future.

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and to 20% (effective 1 April 2015) were substantially enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. Any deferred tax asset at 31 December 2014 has been calculated at 20%.

9. INTANGIBLE FIXED ASSETS

	Computer software £'000
Cost:	
At 1 January 2014 and 31 December 2014	**117**
Accumulated amortisation and impairment:	
At 1 January 2014	**99**
Amortization charge for the year	5
Impairment	13
At 31 December 2014	**117**
Net book value:	
At 31 December 2014	-
At 31 December 2013	**18**

10. TANGIBLE FIXED ASSETS

	Motor vehicles £'000	**Plant & machinery £'000**	**Total £'000**
Cost:			
At 1 January 2014	65	98	163
At 31 December 2014	65	98	163
Accumulated depreciation:			
At 1 January 2014	34	98	132
Charge for the year	11	-	11
At 31 December 2013	45	98	143
Net book value:			
At 31 December 2014	20	-	20
Reclassification to Other current assets	(20)	-	-
At 31 December 2014	-	-	-
At 31 December 2013	31	-	31

As of 31 December 2014 tangible fixed assets with net book value of £20 thousand have been reclassified to Other current assets since the financial statements have been prepared on a basis other than that of going concern (refer to note 11).

11. OTHER CURRENT ASSETS

	2014 £'000	2013 £'000
Tangible fixed assets	**20**	-

As of 31 December 2014 tangible fixed assets with net book value of £20 thousand have been reclassified to Other current assets since the financial statements have been prepared on a basis other than that of going concern (refer to note 10).

12. DEBTORS

	2014 £'000	2013 £'000
Amounts falling due within one year:		
Trade debtors	**391**	2
Amounts owed by group undertakings	**570**	860
Prepayments and accrued income	**-**	10
	961	872

13. CREDITORS: amounts falling due within one year

	2014 £'000	2013 £'000
Trade creditors	**14**	8
Amounts owed to group undertakings	**898**	1,989
VAT payable	**67**	33
Accruals	**85**	152
	1,064	2,182

14. CALLED UP SHARE CAPITAL

	2014 £	2013 £
Called up, allotted and fully paid:		
8 (2013: 8) ordinary shares of £1 each	**8**	8

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2014

15. CAPITAL AND RESERVES

	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total £'000
Balance at 1 January 2014	-	2,124	(2,732)	(608)
Profit for the year	-	-	715	715
Balance at 31 December 2014	-	2,124	(2,017)	107

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS / (DEFICIT)

	2014 £'000	2013 £'000
Profit for the year	**715**	555
Net increase in shareholder's interest	**715**	555
Shareholder's interest at 1 January	**(608)**	(1,163)
Shareholder's interest at 31 December	**107**	(608)

17. ULTIMATE PARENT COMPANY

The company is controlled by its immediate parent undertaking, AES Swiss Lake Holdings BV, a company incorporated in Netherlands.

The ultimate controlling party is AES Corporation, a company incorporated in the State of Delaware, USA. The company is a subsidiary undertaking of AES Corporation which is the ultimate parent undertaking.

The largest and smallest group in which the results of the company are controlled is that headed by AES Corporation.

Copies of the parent company's financial statements can be obtained from the Securities and Exchange Commission, 450 5th Street NW, Washington DC 20549, USA.

The company has taken advantage of the exemption granted by Financial Reporting Standard 8 "Related Party Disclosures" not to disclose transactions with other undertakings within, and related parties of, The AES Corporation Group. There are no other related party transactions during the current and preceding year.