

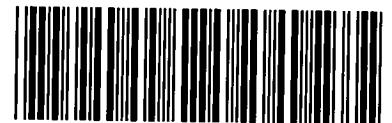
Registration number: 06451278

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Annual Report and Financial Statements

for the Year Ended 31 December 2016

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Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Company Information

Directors	B Freeman
	R Sandford
	P Cowling
	H Funke
	M Parker
	V Read
Company secretary	P Sainsbury
	C Barras
Registered office	Windmill Hill Business Park
	Whitehill Way
	Swindon
	Wiltshire
	SN5 6PB
Independant Auditors	PricewaterhouseCoopers LLP
	Chartered Accountants and Statutory Auditors
	1 Embankment Place
	London
	WC2N 6RH

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Strategic Report for the Year Ended 31 December 2016

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

Fair review of the business

The Company's key financial and other performance indicators during the year were as follows:

	Unit	2016	2015
Profit for the financial year	£ 000	275,478	7,784
Net assets	£ 000	1,720,934	1,445,456

The results for the year are dealt with on page 10 of the financial statements. The position of the Company as at 31 December 2016 is provided on page 12 of the financial statements.

Principal risks and uncertainties

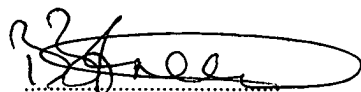
The principal risks and uncertainties facing the business are whether suitable investment opportunities can be identified acquired or be developed.

This is mitigated by the development of a diversified portfolio, spread across different geographical regions and technologies.

Future Development

The Company intends to continue to invest in renewable energy companies, and further invest in those companies already owned.

Approved by the Board on 15 June 2017 and signed on its behalf by:



B Freeman
Director

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Directors' Report for the Year Ended 31 December 2016

The directors present their report and the audited financial statements for the year ended 31 December 2016.

Directors of the company

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

B Freeman

R Sandford

P Cowling

H Funke

M Parker

V Read

Principal activity

The principal activity of the company is the holding of investments in renewable energy companies situated in Great Britain.

Dividends

The directors recommend a final dividend payment of £nil be made in respect of the financial year ended 31 December 2016.

Financial instruments

Objectives and policies

The Company's operations expose it to a variety of financial risks which are set out below. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Directors' Report for the Year Ended 31 December 2016 (continued)

Price risk, credit risk, liquidity risk, interest rate risk and currency risk

Price Risk

The Company has no significant exposure to price risk.

Credit risk

The Company has no significant exposure to credit risk.

Liquidity risk

The Company receives financing from its immediate parent and as such has no significant exposure to liquidity risk outside of the Innogy Group.

Interest rate risk

The Company is currently not exposed to interest rate risk on borrowings, as they are at fixed rates. Interest on funds owed to the Company by the group undertakings are linked to LIBOR, and Bank of England base rates.

Currency risk

All of the Company's transactions and balances are currently denominated in sterling and the Company is therefore not exposed to currency risk.

Future developments

The Company intends to continue to invest in renewable energy companies, and further invest in those companies already owned.

Going concern

The directors have fully considered the risks and uncertainties of the Company's cash flow forecasts and projections.

On this basis, the directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

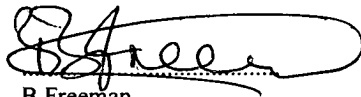
Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Directors' Report for the Year Ended 31 December 2016 (continued)

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

The financial statements on page 10 to 23 were approved by the Board of Directors on 15 June 2017 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'B Freeman', enclosed within a large, loopy oval shape.

B Freeman
Director

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual 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.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Independent auditors' report to the members of Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Report on the financial statements

Our Opinion

In our opinion, Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings 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 prepared 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 Profit and Loss Account and Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have 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 Strategic Report and the Directors' Report. We have nothing to report in this respect.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Independent auditors' report to the members of Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited) (continued)

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.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, 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.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Independent auditors' report to the members of Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited) (continued)

What an audit of financial statements involves

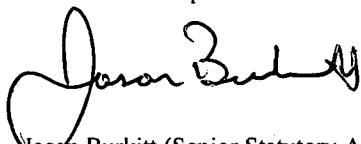
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

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 Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Jason Burkitt (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

16 June 2017

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Profit and Loss Account for the Year Ended 31 December 2016

	Note	2016 £ 000	2015 £ 000
Turnover		-	-
Income from shares in group undertakings		250,000	-
Interest receivable and similar income	3	60,828	87,175
Interest payable and similar expenses	4	(66,404)	(77,414)
Profit on the disposal of investments	8	30,324	-
		<u>274,748</u>	<u>9,761</u>
Profit before taxation		274,748	9,761
Income tax credit/(expense)	9	730	(1,977)
Profit for the financial year		<u>275,478</u>	<u>7,784</u>

The above results were derived from continuing operations.

The notes on pages 14 to 23 form an integral part of these financial statements.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

Statement of Comprehensive Income for the Year Ended 31 December 2016

	2016 £ 000	2015 £ 000
Profit for the financial year	<u>275,478</u>	<u>7,784</u>
Total comprehensive income for the year	<u><u>275,478</u></u>	<u><u>7,784</u></u>

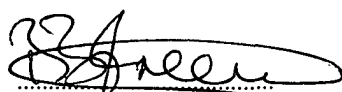
The notes on pages 14 to 23 form an integral part of these financial statements.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

(Registration number: 06451278)
Balance Sheet as at 31 December 2016

	Note	2016 £ 000	2015 £ 000
Non-current assets			
Property, plant and equipment	10	550	550
Investments	8	<u>1,445,308</u>	<u>1,447,408</u>
		<u>1,445,858</u>	<u>1,447,958</u>
Current assets			
Debtors	11	1,642,511	1,360,733
Income tax debtor	9	730	-
Cash at bank and in hand		<u>2,776</u>	<u>9,715</u>
		<u>1,646,017</u>	<u>1,370,448</u>
Creditors: Amounts falling due within one year			
Trade and other payables	12	(26,441)	(26,473)
Income tax liability	9	<u>-</u>	<u>(1,977)</u>
		<u>(26,441)</u>	<u>(28,450)</u>
Net current assets		<u>1,619,576</u>	<u>1,341,998</u>
Total assets less current liabilities		3,065,434	2,789,956
Creditors: Amounts falling due after more than one year			
Loans and borrowings	13	<u>(1,344,500)</u>	<u>(1,344,500)</u>
Net assets		<u>1,720,934</u>	<u>1,445,456</u>
Capital and reserves			
Called up share capital	14	531	531
Share premium reserve		1,511,247	1,511,247
Profit and loss account		<u>209,156</u>	<u>(66,322)</u>
Total shareholders' funds		<u>1,720,934</u>	<u>1,445,456</u>

The financial statements on page 10 to 23 were approved by the Board of Directors on 15 June 2017 and signed on its behalf by:



B Freeman
Director

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

	Called up share capital £ 000	Share premium reserve £ 000	Profit and loss account £ 000	Total shareholders' funds £ 000
At 1 January 2016	531	1,511,247	(66,322)	1,445,456
Profit for the financial year	-	-	275,478	275,478
Total comprehensive income for the year	-	-	275,478	275,478
At 31 December 2016	531	1,511,247	209,156	1,720,934
	Called up share capital £ 000	Share premium reserve £ 000	Profit and loss account £ 000	Total shareholders' funds £ 000
At 1 January 2015	531	1,511,247	(74,106)	1,437,672
Profit for the financial year	-	-	7,784	7,784
Total comprehensive expense for the year	-	-	7,784	7,784
At 31 December 2015	531	1,511,247	(66,322)	1,445,456

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

1 General information

The Company is a private company limited by share capital incorporated and domiciled in England.

The address of its registered office is:

Windmill Hill Business Park
Whitehill Way
Swindon
Wiltshire
SN5 6PB

With effect from 1 September 2016, the name of the Company was changed from "RWE Innogy UK Holdings Limited" to "Innogy Renewables UK Holdings Limited".

These financial statements were authorised for issue by the Board on 15 June 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements were prepared on a going concern basis, under the historical cost convention, and in accordance with Companies Act 2006, as applicable to companies using FRS 101 Reduced Disclosure Framework. The principal accounting policies which have been applied consistently throughout the year are set out below.

Summary of disclosure exemptions

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements per section 400 of the Companies Act 2006, because it is included in the group financial statements of innogy SE (formerly RWE Innogy GmbH). Details of the parent, in whose consolidated financial statements the Company is included, are shown in note 16 to the financial statements.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions. Where required, equivalent disclosures are given in the group financial statements of innogy SE (formerly RWE Innogy GmbH).

The group financial statements of innogy SE (formerly RWE Innogy GmbH) are available to the public and be obtained as set out in note 16.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 January 2016 have had a material effect on the financial statements.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

2 Accounting policies (continued)

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Property, plant and equipment

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Investments

Investments in securities are classified on initial recognition as available-for-sale and are carried at fair value, except where their fair value cannot be measured reliably, in which case they are carried at cost, less any impairment.

Unrealised holding gains and losses other than impairments are recognised in other comprehensive income. On maturity or disposal, net gains and losses previously deferred in accumulated other comprehensive income are recognised in income.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call 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.

Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

2 Accounting policies (continued)

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Interest receivable and similar income

	2016 £ 000	2015 £ 000
Interest and other finance receivable on associated company bond	5,496	10,067
Interest receivable on intercompany loan	55,332	77,108
	<u>60,828</u>	<u>87,175</u>

4 Interest payable and similar expenses

	2016 £ 000	2015 £ 000
Interest on bank overdrafts and borrowings	353	846
Interest expense on other financing liabilities	66,051	76,568
	<u>66,404</u>	<u>77,414</u>

5 Staff costs

There were no direct employees of Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited) during the year to 31 December 2016 (2015: none).

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

6 Directors' remuneration

The directors did not receive any emoluments in respect of their services to the Company (2015: £nil). There are no recharges made to the Company in respect of the services provided by the directors, as their duties in respect of the Company are incidental to their duties as a whole.

7 Auditors' remuneration

Audit fees of £19,400 (2015: £20,000) were borne by another group company and not recharged.

8 Investments

Subsidiaries and Associates	£ 000
Cost or valuation	
At 1 January 2015	1,446,826
Additions	<u>582</u>
At 31 December 2015	<u>1,447,408</u>
At 1 January 2016	1,447,408
Disposals	<u>(2,100)</u>
At 31 December 2016	<u>1,445,308</u>
Investments	
Carrying amount	
At 31 December 2016	<u>1,445,308</u>
At 1 January 2015	<u>1,446,826</u>

On 28 July 2016 Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited) sold its £2.1m (33.33%) investment in Zephyr Investments Limited and the £42.576m book value of the Deep Discounted Bonds (DDB) held as at 28 July 2016 for £75m. Profit on the sale of the investment and DDB amounted to £30.324m.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

8 Investments (continued)

Details of the directly held subsidiaries and associates as at 31 December are as follows:

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2016	2015
Innogy Renewables UK Limited (formerly RWE Innogy UK Limited)	Development and operation of renewable energy facilities	England and Wales	100%	100%
Innogy Stallingborough Limited (formerly RWE Innogy Stallingborough Limited)	Management of a biomass development right	England and Wales	100%	100%
Zephyr Investments Limited	Investment in electricity generation projects which utilise wind power	England and Wales	0%	33.33%

The Company also controls indirectly through its subsidiary undertakings a number of companies split between subsidiaries, joint ventures and associated companies. These are listed below along with the the country of incorporation and 2016 holding %.

Name	Country of incorporation and principal place of business	Holding %
The Hollies Wind Farm Limited	England & Wales	100%
Knabs Ridge Wind Farm Limited	England & Wales	100%
Bilbster Wind Farm Limited	England & Wales	100%
Bristol Channel Zone Limited	England & Wales	100%
Channel Energy Limited	England & Wales	100%
Carnedd Wen Wind Farm Limited	England & Wales	100%
Harryburn Wind Farm Limited	England & Wales	100%
Rhyl Flats Wind Farm Limited	England & Wales	50.1%
Little Cheyne Court Wind Farm Limited	England & Wales	59%
Innogy GYM 2 Limited (formerly RWE Innogy GYM 2 Limited)	England & Wales	100%
Innogy GYM 3 Limited (formerly RWE Innogy GYM 3 Limited)	England & Wales	100%
Innogy GYM 4 Limited (formerly RWE Innogy GYM 4 Limited)	England & Wales	100%
Burgar Hill Windfarm Limited	England & Wales	100%

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

8 Investments (continued)

Name	Country of incorporation and principal place of incorporation	Holding %
Causeymire Two Wind Farm Limited	England & Wales	100%
Clocaenog Wind Farm Limited	England & Wales	100%
Goole Fields II Wind Farm Limited	England & Wales	100%
Kiln Pit Hill Wind Farm Limited	England & Wales	100%
Lochelbank Wind Farm Limited	England & Wales	100%
Middlemoor Wind Farm Limited	England & Wales	100%
Novar Two Windfarm Limited	England & Wales	100%
Rowantree Wind Farm Limited	England & Wales	100%
Doggerbank Project 1A Innogy Limited	England & Wales	100%
Doggerbank Project 1B Innogy Limited	England & Wales	100%
Doggerbank Project 2A Innogy Limited	England & Wales	100%
Doggerbank Project 2B Innogy Limited	England & Wales	100%
Doggerbank Project 3A Innogy Limited	England & Wales	100%
Doggerbank Project 3B Innogy Limited	England & Wales	100%
Doggerbank Project 4A Innogy Limited	England & Wales	100%
Doggerbank Project 4B Innogy Limited	England & Wales	100%
Gwynt y Môr Offshore Wind Farm Limited	England & Wales	50%
ML Wind LLP	England & Wales	51%
Galloper Wind Farm Holding Company Limited	England & Wales	25%
Galloper Wind Farm Limited	England & Wales	25%
Triton Knoll Offshore Wind Farm Limited	England & Wales	50%
Greater Gabbard Offshore Winds Limited	England & Wales	50%
Forewind Limited	England & Wales	25%

All subsidiaries and undertakings except for the subsidiaries noted below, have the same registered address as the Company as disclosed in note 1.

Subsidiaries with a different registered address to the Company are Greater Gabbard Offshore Winds Limited and Forewind Limited. The registered addresses of these subsidiaries are 55 Vastern Road, Reading, RG1 8BU and 1 Kingdom Street, London, United Kingdom, W2 6BD respectively.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

9 Income tax

Tax (credited)/charged in the profit and loss account

	2016	2015
	£ 000	£ 000
Current taxation		
Group relief (receivable)/payable	<u>(730)</u>	<u>1,977</u>

The tax credit for the year is lower than the standard rate of corporation tax in the UK (2015: the tax expense for the year is the same as the standard rate of corporation tax in the UK) of 20% (2015: 20.25%).

The differences are reconciled below:

	2016	2015
	£ 000	£ 000
Profit on ordinary activities before taxation	<u>274,748</u>	<u>9,761</u>
Profit on ordinary activities before taxation multiplied by standard rate of corporation tax in the UK of 20% (2015: 20.25%)	54,950	1,977
Income not taxable	(50,000)	-
Profit on disposal of investments	<u>(5,680)</u>	<u>-</u>
Total tax (credit)/expense	<u>(730)</u>	<u>1,977</u>

Income not taxable of £50,000,000 (2015: £nil) relates to income from shares in group undertakings.

Factors that may affect future tax charges:

The tax rate for the current year is lower than the prior year due to changes in the UK corporation tax rate which decreased from 21% to 20% from 1 April 2015.

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

10 Property, plant and equipment

	Land and buildings £ 000
Cost or valuation	
At 1 January 2016	3,220
At 31 December 2016	3,220
Impairment	
At 1 January 2016	2,670
At 31 December 2016	2,670
Carrying amount	
At 31 December 2016	550
At 31 December 2015	550

11 Debtors

	2016 £ 000	2015 £ 000
Amounts owed by undertakings in which the company has a participating interest	-	41,580
Amounts owed by group undertakings	1,642,511	1,319,153
	<u>1,642,511</u>	<u>1,360,733</u>

Amounts owed by group undertakings includes £1,114,499,879 (2015: £1,114,499,879) due in greater than one year.

This amount represents three loans with a maturity date and fixed interest rate as follows:

£81,800,000 maturing on 18 December 2020 with interest charged at 2.90%.

£200,000,000 maturing on the 28 September 2022 with interest charged at 4.00%.

£832,699,879 maturing on the 20 September 2027 with interest charged at 4.97%.

Amounts owed by group undertakings includes a £514,363,868 loan on a short term facility with interest charged at 0.12629%

On 28 July 2016 Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited) sold its £2.1m (33.33%) investment in Zephyr Investments Limited and the £42.576m book value of the Deep Discounted Bonds (DDB) held as at 28 July 2016 for £75m. Profit on the sale of the investment and DDB amounted to £30.324m.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

12 Trade and other payables

	2016 £ 000	2015 £ 000
Amounts due to related parties	26,441	26,473
	<u>26,441</u>	<u>26,473</u>

13 Loans and borrowings

	2016 £ 000	2015 £ 000
Non-current loans and borrowings		
Amounts owed to group undertakings	1,344,500	1,344,500
	<u>1,344,500</u>	<u>1,344,500</u>

This amount represents four loans owed to the group undertakings with a maturity date and fixed interest rate as follows:

£81,800,000 maturing on 18 December 2020 with interest charged at 2.88%.

£200,000,000 maturing on 28 September 2022 with interest charged at 3.98%.

£832,699,879 maturing on 20 September 2027 with interest charged at 4.95%.

£230,000,000 maturing on 1 February 2018 with interest charged at 6.15%.

14 Called up share capital

Allotted, called up and fully paid shares

	2016 No. 000	£ 000	2015 No. 000	£ 000
Ordinary 'A' Shares of £1 each	<u>531</u>	<u>531</u>	<u>531</u>	<u>531</u>

15 Dividends

The directors are proposing a final dividend of £nil (2015: £nil) per share totalling £nil (2015: £nil). No dividend has been accrued in the statement of financial position.

16 Parent of group in whose consolidated financial statements the Company is consolidated

The name of the parent of the group in whose consolidated financial statements the Company's financial statements are consolidated is innogy SE (formerly RWE Innogy GmbH).

These financial statements are available upon request from innogy SE, Opernplatz 1, 45128, Essen, Germany.

Innogy Renewables UK Holdings Limited (formerly RWE Innogy UK Holdings Limited)

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

17 Parent and ultimate parent undertaking

The Company's immediate parent is innogy SE (formerly RWE Innogy GmbH).

In April 2016, RWE AG transferred its renewable segment, which included RWE Innogy GmbH, grid and retail operations to innogy SE (formerly RWE Innogy GmbH). In October 2016, shares of innogy SE were traded on the Frankfurt Stock Exchange. RWE AG remains the majority shareholder of innogy SE, retaining a 76.79% share of the Company.

The ultimate parent is RWE AG.

The most senior parent entity producing publicly available financial statements is RWE AG. These financial statements are available upon request from RWE AG, Huyssenallee 2, 45128, Essen, Germany

The ultimate controlling party is RWE AG.