EAST ANGLIA ONE LIMITED
DIRECTORS' REPORT AND ACCOUNTS
for the year ended 31 December 2014

Registered No. 07366753

EAST ANGLIA ONE LIMITED
DIRECTORS' REPORT AND ACCOUNTS
for the year ended 31 December 2014

CONTENTS

EAST ANGLIA ONE LIMITED
DIRECTORS' REPORT

The directors present their report and audited Accounts for the year ended 31 December 2014.

The directors' report has been prepared in accordance with the special provisions relating to small-sized companies under Section 415A of the Companies Act 2006.

ACTIVITIES AND REVIEW

The principal activity of East Anglia One Limited ("the company"), registered company number 07366753, is the development of the East Anglia One offshore wind farm. The company was not involved in trading during the year ended 31 December 2013 and was dormant. The company commenced operational activity in 2014 and during that year purchased £43.0 million of offshore wind farm development expenditure from East Anglia Offshore Wind Limited ("EAOW").

Until 15 June 2014 the company was 100% owned by EAOW, a company jointly owned and managed by ScottishPower Renewables (UK) Limited ("SPRUKL") and Vattenfall Wind Power Ltd ("VWPL") under the terms of a Zone Shareholders Agreement ("ZSA").

SPRUKL is a member of the Scottish Power Limited group of companies ("ScottishPower"), which is headed by Scottish Power Limited ("SPL"). The ultimate parent company of SPL is Iberdrola S.A. ("Iberdrola"). The ultimate parent company of VWPL is Vattenfall AB ("Vattenfall").

On 15 June 2014, as part of a project restructure, EAOW sold its entire investment in the company to its joint immediate parent undertakings, SPRUKL and VWPL, for £1, at which point the company became jointly owned by SPRUKL and VWPL.

On 24 March 2015, SPRUKL acquired the remaining 50% interest in the share capital of the company, at which point the company became a wholly owned subsidiary of SPRUKL and of ScottishPower.

During the year, the company continued to actively engage in the Government's Electricity Market Reform ("EMR") process and, in particular, development of the terms of the new Contract for Difference ("CfD") mechanism and the supporting legislation. The CfD will replace the Renewable Obligation ("RO") as the main support mechanism for large scale renewable electricity generation from 1 April 2017, although there will be a period of parallel running. Following the end of a competitive auction process the company was successful in being allocated a CfD for 714 megawatts ("MW") relating to the East Anglia One offshore project. The CfD agreements with the Low Carbon Contracts Company Ltd were entered into on 27 March 2015.

KEY FACTORS AFFECTING THE BUSINESS

The company's objectives to manage the key drivers impacting the financial performance of the company during the year were as follows:

- Deliver offshore investment programmes efficiently
- Develop efficient operations and reduce costs

MANAGEMENT OF RISKS

The business identifies and assesses the key business risks associated with the achievement of its strategic objectives. Any key actions needed to enhance the control environment are identified, along with the person responsible for the management of the specific risk. Details of the risk management practices of ScottishPower, and therefore the company, under which the company operates, are provided in Note 4 of the most recent Annual Report and Accounts of SPL.

OPERATIONAL FINANCIAL PERFORMANCE

During the year ended 31 December 2014, the company had capital expenditure of £43.0 million on wind power plant development. Overall, the directors are satisfied with the level of business and the year-end financial position.

RESULTS AND DIVIDENDS

The result for the year amounted to £nil (2013 result £nil). No dividends were proposed or paid during the year (2013 £nil).

During the year ended 31 December 2013 the company was dormant and did not trade. In the year ended 31 December 2014, whilst the company became operational there were no transactions through the income statement. In both years the company made neither a profit nor a loss. In addition, the company did not issue any share capital. As a consequence, no income statement or statement of changes in equity has been presented.

FINANCING REVIEW

Capital and debt structure

From the commencement of operational activity until 24 March 2015, all purchases made by the company were funded through a working capital facility provided by EAOW. Subsequent to the company becoming a wholly-owned member of ScottishPower on 24 March 2015, SPL has provided the company with treasury services and an intergroup loan allowing it to settle its indebtedness to EAOW.

As the company had no cash transactions during the years ended 31 December 2014 and 31 December 2013, no cash flow statement has been presented.

Liquidity

The directors confirm that the company remains a going concern on the basis of its future cash flow forecasts and has sufficient working capital for present requirements. The directors consider that sufficient funding will be made available to the company to continue operations and to meet liabilities as they fall due. Further details of the going concern considerations made by the directors of the company are set out in Note 10.

HEALTH AND SAFETY

The company has a clear strategy to continue to improve health and safety performance using ScottishPower health and safety standards. A more extensive description of how ScottishPower, and therefore the company, addresses health and safety requirements can be found in the most recent Annual Report and Accounts of SPL.

ENVIRONMENTAL MANAGEMENT AND REGULATION

Throughout its operations, the company strives to meet, or exceed, relevant legislative and regulatory environmental requirements and codes of practice. A more extensive description of how the company addresses environmental requirements using ScottishPower's policies and practices can be found in the most recent Annual Report and Accounts of SPL.

DIRECTORS

The directors who held office during the year were as follows:

Jonathan Cole	
Georg Freidrichs	(resigned 1 January 2014)
Gunnar Groebler	(appointed 1 January 2014, resigned 24 March 2015)
Piers Basil Guy	(appointed 1 January 2014, resigned 24 March 2015)
Roy Scott	
Peter Wesslau	(resigned 1 January 2014)

DIRECTORS' RESPONSIBILITIES FOR THE ACCOUNTS

The directors are responsible for preparing the Directors' Report and Accounts in accordance with applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU").

The directors are responsible for preparing Accounts for each financial period which give a true and fair view, in accordance with IFRSs, of the state of affairs of the company and of the profit or loss for that period. In preparing those Accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Accounts comply with IFRSs, subject to any material departures disclosed and explained in the Accounts; and
- prepare the Accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the Accounts 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.

EAST ANGLIA ONE LIMITED
DIRECTORS' REPORT *continued*

DIRECTORS' RESPONSIBILITIES FOR THE ACCOUNTS *continued*

Each of the directors in office as at the date of this Directors' Report and Accounts confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

AUDITOR

Ernst & Young LLP were re-appointed as auditor of the company for the year ended 31 December 2014.

ON BEHALF OF THE BOARD

Jonathan Cole
Director
14 July 2015

INDEPENDENT AUDITOR'S REPORT
to the members of East Anglia One Limited

We have audited the Accounts of East Anglia One Limited for the year ended 31 December 2014 which comprise the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

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 pages 2 and 3, the directors are responsible for the preparation of the Accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Accounts in accordance with the 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 ACCOUNTS
An audit involves obtaining evidence about the amounts and disclosures in the Accounts sufficient to give reasonable assurance that the Accounts 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 Accounts. In addition, we read all the financial and non-financial information in the Directors' Report and Accounts to identify material inconsistencies with the audited Accounts, 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 ACCOUNTS
In our opinion the Accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its result for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; 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 Accounts are prepared is consistent with the Accounts.

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Accounts 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 prepare the Accounts in accordance with the small companies regime and take advantage of the small companies exemption from preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Ernst & Young LLP

Annie Graham (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Glasgow
14 July 2015

EAST ANGLIA ONE LIMITED
BALANCE SHEETS
as at 31 December 2014 and 31 December 2013

	Notes	2014 £m	2013 £m
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		**43.0**	-
Property, plant and equipment in the course of construction	3	43.0	-
NON-CURRENT ASSETS		**43.0**	-
CURRENT ASSETS			
Trade and other receivables	5	-	-
CURRENT ASSETS		-	-
TOTAL ASSETS		**43.0**	-
EQUITY AND LIABILITIES			
EQUITY			
Of shareholders of the parent		-	-
Share capital	6	-	-
TOTAL EQUITY		-	-
CURRENT LIABILITIES			
Trade and other payables	7	**43.0**	-
CURRENT LIABILITIES		**43.0**	-
TOTAL LIABILITIES		**43.0**	-
TOTAL EQUITY AND LIABILITIES		**43.0**	-

Approved by the Board on 14 July 2015 and signed on its behalf by:

Jonathan Cole
Director

The accompanying Notes 1 to 11 are an integral part of the balance sheets as at 31 December 2014 and 31 December 2013.

EAST ANGLIA ONE LIMITED
NOTES TO ACCOUNTS
31 December 2014

1 BASIS OF PREPARATION

A BASIS OF PREPARATION OF THE ACCOUNTS

The company is required by law to prepare Accounts and to deliver them to the Registrar of Companies. The Accounts have been prepared in accordance with International Accounting Standards ("IAS"), International Financial Reporting Standards ("IFRSs") and International Financial Reporting Interpretations Committee ("IFRIC") Interpretations (collectively referred to as IFRS), as adopted by the EU as at the date of approval of these Accounts and which are mandatory for the financial year ended 31 December 2014. The Accounts are prepared in accordance with the Accounting Policies set out in Note 2.

During the year ended 31 December 2013 the company was dormant and did not trade. In the year ended 31 December 2014, whilst the company became operational there were no transactions through the income statement. In both years the company made neither a profit nor a loss. In addition, the company did not issue any share capital. As a consequence, no income statement or statement of changes in equity has been presented.

As the company had no cash transactions during the years ended 31 December 2014 and 31 December 2013, no cash flow statement has been presented.

B ACCOUNTING STANDARDS

In preparing these Accounts, the company has applied all relevant IAS, IFRS and IFRIC Interpretations which have been adopted by the EU as of the date of approval of these Accounts and which are mandatory for the financial year ended 31 December 2014.

For the year ended 31 December 2014, the company has applied the following standards and amendments for the first time:

Standard	Note
• IFRS 10 'Consolidated Financial Statements'	(a)
• IFRS 11 'Joint Arrangements'	(a)
• IFRS 12 'Disclosure of Interests in Other Entities'	(a)
• IAS 27 (Revised) 'Separate Financial Statements'	(a)
• IAS 28 (Revised) 'Investments in Associates and Joint Ventures'	(a)
• Amendments to IAS 32 'Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities'	(a)
• Amendments to IFRS 10 'Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 'Disclosure of Interests in Other Entities' - 'Transition Guidance'	(a)
• Amendments to IFRS 10, IFRS 12 and IAS 27 'Investment Entities'	(a)
• Amendments to IAS 36 'Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets'	(a)
• Amendments to IAS 39 'Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting'	(a)

(a) The application of these pronouncements did not have a material impact on the company's accounting policies, financial position or performance.

The following new standards, amendments to standards and interpretations have been issued by the International Accounting Standards Board ("IASB") but have an effective date after the date of these financial statement thus have not been implemented by the company:

Standard	Notes	IASB effective date (for periods commencing on or after)	Planned date of application by the company
• IFRIC 21 'Levies'	(b), (c)	1 January 2014	1 January 2015
• Amendments to IAS 19 'Employee Benefits: Defined Benefit Plans: Employee Contributions'	(b)	1 July 2014	1 January 2015
• Annual Improvements to IFRSs (2010-2012)	(b)	1 July 2014	1 January 2015
• Annual Improvements to IFRSs (2011-2013)	(b)	1 July 2014	1 January 2015
• IFRS 14 'Regulatory Deferral Accounts'	(b), (d)	1 January 2016	1 January 2016
• Amendments to IFRS 11 'Joint Arrangements: Acquisitions of Interests in Joint Operations'	(b), (d)	1 January 2016	1 January 2016
• Amendments to IAS 16 'Property, Plant and Equipment' and IAS 38 'Intangible Assets' – 'Clarification of Acceptable Methods of Depreciation and Amortisation'	(b), (d)	1 January 2016	1 January 2016
• Amendments to IAS 16 'Property' Plant and Equipment' and IAS 41 'Agriculture' – 'Agriculture: Bearer Plants'	(b), (d)	1 January 2016	1 January 2016

1 BASIS OF PREPARATION *continued*

B ACCOUNTING STANDARDS *continued*

Standard *continued*	Notes	IASB effective date (for periods commencing on or after)	Planned date of application by the company
• Annual Improvements to IFRSs (2012-2014)	(b), (d)	1 January 2016	1 January 2016
• Amendments to IAS 27 'Separate Financial Statements: Equity Method in Separate Financial Statements'	(b), (d)	1 January 2016	1 January 2016
• Amendments to IFRS 10 'Consolidated Financial Statements' IFRS 12 'Disclosure of Interest in Other Entities' and IAS 28 'Investments in Associates and Joint Ventures' - 'Investment Entities: Applying the Consolidated Exception'	(b), (d)	1 January 2016	1 January 2016
• Amendments to IAS 1 'Presentation of Financial Statements: Disclosure Initiative'	(b), (d)	1 January 2016	1 January 2016
• IFRS 15 'Revenue from Contracts with Customers'	(d), (e)	1 January 2017	1 January 2017
• IFRS 9 'Financial Instruments'	(d), (e)	1 January 2018	1 January 2018
• Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' - 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'	(b), (d), (f)	To be decided	To be decided

(b) The future application of these pronouncements is not expected to have a material impact on the company's accounting policies, financial position or performance.
(c) Although the effective date of this interpretation is 1 January 2014, it was not endorsed by the EU until 13 June 2014, therefore it will not be applied by the company until 1 January 2015.
(d) These pronouncements have not yet been adopted by the EU.
(e) The directors are currently in the process of assessing the impact of this standard in relation to the company's accounting policies, financial position and performance.
(f) The effective date of this amendment was for periods commencing on or after 1 January 2016. However, the EU endorsement process for this amendment has been postponed, awaiting a revised exposure draft from the IASB. The effective date will be amended in due course.
(g) The company has chosen not to early adopt any of these standards/amendments for year ended 31 December 2014.

2 ACCOUNTING POLICIES

The principal accounting policies applied in preparing the company's Accounts are set out below:

A PROPERTY, PLANT AND EQUIPMENT
B IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT
C FINANCIAL ASSETS AND LIABILITIES

A PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost and is generally depreciated on the straight-line method over the estimated operational lives of the assets. Property, plant and equipment includes capitalised interest and other directly attributable costs. Borrowing costs directly attributable to the acquisition, construction or production of major qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Reviews are undertaken annually of the estimated remaining lives and residual values of property, plant and equipment. Residual values are assessed based on prices prevailing at each balance sheet date.

B IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

At each balance sheet date, the company reviews the carrying amount of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

C FINANCIAL ASSETS AND LIABILITIES

(a) Financial assets categorised as trade and other receivables relate to amounts due for unpaid but issued share capital and are recognised and carried at the original amount at which the share capital was issued.
(b) Financial liabilities categorised as trade payables are recognised and carried at original invoice amount.

3 PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment in the course of construction

Year ended 31 December 2014	Wind power plant in progress (Note (b)) £
Cost:	
At 1 January 2013 and 1 January 2014	-
Additions	42,986,486
At 31 December 2014	**42,986,486**
Net book value:	
At 31 December 2014	**42,986,486**
At 1 January 2014	-

(a) As all property, plant and equipment was in the course of construction at 31 December 2014, no depreciation has been charged.
(b) Wind power plant in progress comprises development costs in respect of the company's offshore wind farm. These costs were acquired from EAOW (see Note 8 (a) for further details).

4 FINANCIAL INSTRUMENTS

	2014		2013	
	Carrying amount £	**Fair value £**	Carrying amount £	Fair value £
Financial assets				
Receivables	1	1	1	1
Financial liabilities				
Payables	(42,986,486)	(42,986,486)	-	-

The carrying amount of these financial instruments is calculated as set out in Note 2C. The carrying value of financial instruments is a reasonable approximation of fair value.

5 TRADE AND OTHER RECEIVABLES

	2014 £	2013 £
Current receivables:		
Receivables due from Iberdrola group companies - unpaid share capital	1	1

6 SHARE CAPITAL

	2014 £	2013 £
Allotted and called up:		
One ordinary share of £1 (2013 One)	1	1

7 TRADE AND OTHER PAYABLES

	2014 £	2013 £
Current trade and other payables:		
Payables due to Iberdrola group companies - capital	42,986,486	-

8 RELATED PARTY TRANSACTIONS

(a) Transactions and balances arising in the normal course of business

	Note	2014 EAOW £	2013 EAOW £
Types of transaction			
Purchases of property, plant and equipment	(ii)	**(42,986,486)**	-
Balances outstanding			
Trade and other receivables		**1**	1
Trade and other payables - capital		**(42,986,486)**	-

(i) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.
(ii) For the period from 1 January 2014 to 15 June 2014, property, plant and equipment purchases of £31,376,919 were made from the company's immediate parent, EAOW. From 16 June 2014 until 31 December 2014, property, plant and equipment purchases of £11,609,567 were made from EAOW, during which period EAOW was a fellow subsidiary of Iberdrola.

(b) Remuneration of key management personnel

For the year ended 31 December 2013, none of the key management personnel received any remuneration from the company, or from related companies, in respect of their services to the company. For the year ended 31 December 2014, during which the company became operational, key management personnel have been deemed to have received remuneration in respect of their services to the company.

The remuneration of the key management personnel of the company is set out below. As all of the key management personnel are remunerated for their work for their respective parent groups, it has not been possible to apportion the remuneration specifically in respect of services to this company. All of the key management personnel are paid by other companies within their respective parent groups.

	2014 £000	2013 £000
Short-term employee benefits	**1,484**	-
Post-employment benefits	**307**	-
Share-based payments	**496**	-
	2,287	-

(c) Directors' remuneration

For the year ended 31 December 2013, none of the directors received any remuneration from the company, or from related companies, in respect of their services to the company. For the year ended 31 December 2014, during which the company became operational, the directors have been deemed to have received remuneration in respect of qualifying services to the company.

The total emoluments of the directors that provided qualifying services to the company are shown below. As these directors are remunerated for their work for their respective parent groups, it has not been possible to apportion the emoluments specifically in respect of services to this company. All the directors were paid by other companies within their respective parent groups.

Executive directors	2014 £000	2013 £000
Aggregate remuneration in respect of qualifying services	**832**	-
Aggregate contributions payable to a defined contribution pension scheme	**19**	-
Number of directors who exercised share options	**1**	-
Number of directors who received shares under a long-term incentive scheme	**2**	-
Number of directors accruing retirement benefits under a defined benefit scheme	**1**	-
Number of directors accruing retirement benefits under a defined contribution scheme	**1**	-

Highest paid director	2014 £000	2013 £000
Aggregate remuneration	**262**	-
Aggregate contributions payable to a defined contribution pension scheme	**19**	-

(i) The highest paid director exercised share options during the year.
(ii) The highest paid director received shares under a long-term incentive scheme during the year.

8 RELATED PARTY TRANSACTIONS *continued*

(d) Ultimate parent company and immediate parent company

During the period from 1 January 2014 to 15 June 2014 the company was 100% owned by EAOW, a company jointly owned and managed by SPRUKL and VWPL under the terms of a ZSA.

On 15 June 2014, as part of a project restructure, EAOW sold its entire investment in the company to its joint immediate parent undertakings, SPRUKL and VWPL, for £1 at which point the company became jointly owned by SPRUKL and VWPL.

At 31 December 2014, the company was jointly owned and controlled by its immediate parent undertakings SPRUKL, a company registered in Northern Ireland, and VWPL, a company registered in England and Wales.

At 31 December 2014, the directors regarded Iberdrola S.A., a company incorporated in Spain, and Vattenfall AB, a company incorporated in Sweden, as the ultimate controlling parties. They are the parent undertakings of the largest group of undertakings for which group accounts are drawn up. Copies of Iberdrola S.A. consolidated Accounts can be obtained from Iberdrola S.A., Plaza Euskadi 5, 48009, Bilbao, Bizkaia, Spain. Copies of Vattenfall AB consolidated Accounts can be obtained from the company secretary at SE-162 87, Stockholm.

On 24 March 2015, SPRUKL acquired the remaining 50% interest in the share capital of the company, at which point SPRUKL became the sole immediate parent company and Iberdrola S.A. became the sole ultimate parent company.

9 AUDITOR'S REMUNERATION

	2014	2013
	£	£
Audit of the company's annual Accounts	1,000	-

The auditor's remuneration for the audit of the Accounts of the company for the year ended 31 December 2014 has been borne by another Iberdrola group company. There was no auditor's remuneration in the year ended 31 December 2013 as the company was not required to and did not obtain an audit.

10 GOING CONCERN

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Directors' Report on pages 1 to 3.

The company has recorded neither a profit nor a loss in the current year and in the previous financial year. The company's balance sheet shows that it has net current liabilities of £42,986,485 and net assets of £1 at its most recent balance sheet date.

At the date of signing of these accounts, the company is ultimately owned by Iberdrola S.A. and it participates in the Iberdrola group's centralised treasury arrangements and so shares banking facilities with its parent companies and fellow subsidiaries. As a consequence, the company depends, in part, on the ability of the Iberdrola group to continue as a going concern. The directors have considered the company's funding relationship with Iberdrola to date and have considered available relevant information relating to Iberdrola's ability to continue as a going concern. In addition, the directors have no reason to believe that the Iberdrola group will not continue to fund the company, should it become necessary, to enable it to continue in operational existence.

On the basis of these considerations, the directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the Accounts.

11 EVENTS AFTER THE BALANCE DATE

On 24 March 2015, SPRUKL acquired the remaining 50% interest in the share capital of the company, at which point the company became a wholly owned subsidiary of SPRUKL and of ScottishPower.

Subsequently, SPL provided the company with an intergroup loan allowing it to settle its indebtedness to EAOW.

Following the end of a competitive auction process the company was successful in being allocated a CfD for 714 MW relating to the East Anglia One offshore project. The CfD agreements with the Low Carbon Contracts Company Ltd were entered into on 27 March 2015.