

**E.ON PROJECT EARTH LIMITED**  
**STRATEGIC REPORT, DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**for the Year Ended 31 December 2015**



**Registered No: 08045735**

**E.ON PROJECT EARTH LIMITED  
STRATEGIC REPORT  
for the Year Ended 31 December 2015**

The directors present their strategic report of the Company for the year ended 31 December 2015.

**Fair review of the business**

The Company operates and maintains a number of geo-coupled ground source heating and cooling systems. These systems have been leased to a large supermarket chain with lease rentals payable to the Company over a period of between 23 to 24.5 years.

The directors believe both the level of business during the year and the financial position of the Company at the year end were satisfactory.

At 31 December 2015, the Company had net assets of £1,586,000 (2014: net assets of £1,161,000). Further information regarding the financial position of the Company at the year end is provided in the Directors' Report.

**Principal risks and uncertainties**

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the E.ON SE consolidated group ('group') and are not managed separately. Accordingly, the principal risks and uncertainties of E.ON SE, which include those of the Regional Unit UK division of E.ON SE, which includes the Company, are discussed within the financial review section of the group's annual report which does not form part of this report.

**Key performance indicators ('KPIs')**

The Board of Management of E.ON SE manages the group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Regional Unit UK division of E.ON SE, which includes the Company, is discussed within the financial review section of the group's annual report which does not form part of this report. The directors do not believe there are any further relevant KPIs that are not already disclosed within the financial statements.

Approved by the Board of Directors on 5 September 2016 and signed on its behalf by:



**B Wagner**  
Director

E.ON Project Earth Limited  
Company No: 08045735  
Westwood Way  
Westwood Business Park  
Coventry  
CV4 8LG

**E.ON PROJECT EARTH LIMITED  
DIRECTORS' REPORT  
for the Year Ended 31 December 2015**

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2015.

**Directors of the Company**

The directors who held office during the year and up to the date of signing these financial statements are given below:

D A Leiper  
P D J Gilbert (appointed 16 June 2016)  
B Wagner (appointed 16 June 2016)  
R Matthies (resigned 31 May 2016)

**Principal activity**

The Company leases, operates and maintains innovative geo-coupled ground source heating and cooling systems.

The systems are leased to a large supermarket chain over a period of between 23 to 24.5 years and an operation and maintenance service is provided to each location across the full contract term.

The Company will continue to operate and manage the portfolio over its remaining term.

**Results and dividends**

The Company's profit for the financial year is £425,000 (2014: profit of £606,000). No interim dividends were paid during the year (2014: £nil). The directors do not recommend the payment of a final dividend (2014: £nil).

**Financial risk management**

***Objectives and policies***

The Company, in common with other E.ON SE subsidiaries, must comply with the E.ON SE's group finance guidelines that set out the principles and framework for managing group-wide finances. The Company also utilises the E.ON UK plc operational treasury team which services the treasury requirements of the business. Further information on the E.ON SE group's policies and procedures is available in the financial statements of the E.ON SE group.

***Price risk, credit risk, liquidity risk and cash flow risk***

The management of risks is undertaken at the E.ON SE group level. Further discussion of these risks and uncertainties, in the context of the group as a whole, is provided within the financial review section of the group's annual report which does not form part of this report.

**Political donations**

No political donations were made during the year (2014: £nil).

**Directors' indemnities**

The Company maintains liability insurance for its directors and officers. This is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. This insurance cover was in force during the year and is still in force at the date of approving the Directors' Report.

**E.ON PROJECT EARTH LIMITED  
DIRECTOR'S REPORT  
for the Year Ended 31 December 2015 (continued)**

**Disclosure of information to auditors**

So far as each of the directors is aware, there is no relevant audit information of which the Company's auditors are unaware and they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 "Reduced Disclosure Framework" ('FRS 101').

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;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; 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.

Approved by the Board of Directors on 5 September 2016 and signed on its behalf by:



**B Wagner**  
Director

E.ON Project Earth Limited  
Company No: 08045735  
Westwood Way  
Westwood Business Park  
Coventry  
CV4 8LG

# **Independent Auditors' Report to the Members of E.ON PROJECT EARTH LIMITED**

## **Report on the financial statements**

### **Our opinion**

In our opinion, E.ON Project Earth 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 2015 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 Strategic Report, Directors' Report and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2015;
- the profit and loss account for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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

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

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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.

**Independent Auditors' Report to the Members of  
E.ON PROJECT EARTH LIMITED (continued)**

**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 3, 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 & Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

**What an audit of financial statements involves**

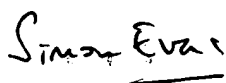
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.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

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

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

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.



Simon Evans (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham

Date 5 September 2016

**E.ON PROJECT EARTH LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2015

	<i>Note</i>	<b>2015 £000</b>	<b>2014 £000</b>
Turnover	2	<b>1,266</b>	1,212
Cost of sales		<b>(128)</b>	(129)
<b>Gross profit</b>		<b>1,138</b>	1,083
Administrative expenses		<b>(730)</b>	(308)
Other operating income	3	<b>175</b>	-
<b>Operating profit</b>	3	<b>583</b>	775
Interest receivable and similar income	4	-	1
Interest payable and similar charges	5	<b>(50)</b>	(4)
<b>Profit on ordinary activities before taxation</b>		<b>533</b>	772
Tax on profit on ordinary activities	6	<b>(108)</b>	(166)
<b>Profit for the financial year</b>		<b>425</b>	606

The Company has no recognised gains or losses for the year, other than the results above and therefore no separate statement of comprehensive income has been presented.

The notes on pages 9 to 15 form part of these financial statements.

**E.ON PROJECT EARTH LIMITED**  
**BALANCE SHEET**  
as at 31 December 2015

	<i>Note</i>	2015 £000	2014 £000
Tangible assets	7	46	-
<b>Current assets</b>			
Stocks	8	125	125
Debtors: amounts falling due after more than one year	9	11,613	11,879
Debtors: amounts falling due within one year	10	1,329	1,603
		<b>13,067</b>	13,607
Creditors: amounts falling due within one year	11	<b>(11,525)</b>	(12,446)
<b>Net current assets</b>		<b>1,542</b>	1,161
<b>Total assets less current liabilities</b>		<b>1,588</b>	1,161
<b>Provisions for liabilities</b>	12	<b>(2)</b>	-
<b>Net assets</b>		<b>1,586</b>	1,161
<b>Capital and reserves</b>			
Called up share capital	13	-	-
Profit and loss account		<b>1,586</b>	1,161
<b>Total shareholders' funds</b>		<b>1,586</b>	1,161

The financial statements on pages 6 to 15 were approved by the Board of Directors on 5 September 2016 and signed on its behalf by:



**B Wagner**  
Director  
E.ON Project Earth Limited  
Company No: 08045735

The notes on pages 9 to 15 form part of these financial statements.



**E.ON PROJECT EARTH LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**for the year ended 31 December 2015**

	Called up share capital £000	Profit and loss account £000	Total £000
At 1 January 2014	-	555	555
Profit for the financial year and total comprehensive income	-	606	606
At 31 December 2014	-	1,161	1,161
Profit for the financial year and total comprehensive income	-	425	425
At 31 December 2015	- <u>          </u>	1,586 <u>          </u>	1,586 <u>          </u>

The notes on pages 9 to 15 form part of these financial statements.

**E.ON PROJECT EARTH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2015**

**1. Accounting policies**

**General information**

The Company leases, operates and maintains innovative geo-coupled ground source heating and cooling systems.

The Company is a private limited company and is incorporated and domiciled in the UK.

**Basis of preparation of financial statements**

This is the first year that the Company has prepared financial statements in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ('FRS 101'). Further information relating to the impact of the conversion is disclosed in note 15. The financial statements have been prepared under the going concern basis, historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

The Company has adopted disclosure exemptions in relation to the following:

- The requirements of IAS 1 Presentation of Financial Statements
- The requirements of IAS 7 Statement of Cash Flows
- The requirements of Paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- The requirements of Paragraph 17 of IAS 24 Related Party Disclosures (key management compensation)
- The requirements of IAS 24 Related party disclosures to disclose related party transactions entered into between two or more members of a group
- The requirements of IFRS 7 Financial Instruments: Disclosures
- The requirements of paragraphs 91 to 99 of IFRS 13 Fair value measurement (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)

**Going concern**

The directors of the Company believe that there are no material uncertainties that may cast significant doubt about the ability of the Company to continue as a going concern. The directors of the Company also believe that the Company has adequate resources to continue in operational existence for the foreseeable future.

**Turnover**

Turnover represents amounts chargeable, net of value added tax, in respect of the lease income and operation and maintenance of ground source heating and cooling systems to customers. For lease income this includes the interest receivable from finance leases. Rentals under finance leases are allocated between lease income and repayment of capital in each accounting period in such a way that lease income will emerge as a constant rate of return on the net investment in the lease.

**E.ON PROJECT EARTH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2015 (continued)**

**Judgement in applying accounting policies and key sources of estimation uncertainty**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of these financial statements, and the reported amounts of revenues and expenses during the reporting year. These judgements are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in these financial statements.

Areas of significant judgement in application of accounting policies and critical accounting estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

**Finance leases**

Significant judgement is required in determining the fair value of finance lease receivables. Minimum lease payments are calculated based on the initial capital cost of the asset, spread across the lease term, and discounted at the group's cost of capital.

**Taxation**

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**Tangible assets**

Tangible assets are stated at original cost less accumulated depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Plant and machinery relates to plant monitoring equipment.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected usefully economic lives as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	Straight line basis over 3 years

Estimated useful lives are reviewed annually. No depreciation is provided on assets in the course of construction.

**Work in progress**

Work in progress is valued at the lower of cost and net realisable value. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**Inter-company balances**

Inter-company payable and receivable trading balances within the E.ON SE group are consolidated at each period end into a single balance with each group company. These transactions are net settled. As a result the directors consider it appropriate to present inter-company balances within these financial statements on a net basis. Formal loan balances are settled and presented gross.

**Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet, when the Company has a legally enforceable right to set off the recognised amounts and it intends either to settle on a net basis or realise the asset and settle the liability simultaneously.

**E.ON PROJECT EARTH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2015 (continued)**

**Current and deferred income tax**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in respect of the relevant years, in the countries where the Company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**Finance leases**

For assets leased out under a finance lease, the present value of the lease payments is recognised as a debtor at the amount of the net investment in the lease.

Lease payments receivable are apportioned between repayments of capital and interest so as to give a constant rate of return on the net investment in the lease.

**2. Turnover**

The Company's turnover, all of which arises in the course of the Company's principal activity, arises in the UK. Turnover includes £1,125,000 (2014: £1,144,000) of interest on the finance lease asset (note 14).

**3. Operating profit**

Operating profit is stated after charging:

	2015 £000	2014 £000
Write down of stocks	-	75

There were no employees during the year (2014: none).

The directors received no emoluments from the Company during the year (2014: £nil).

During 2014, the work in progress stock value of one development which will not be developed further was written down by £75,000 to nil and was included in administrative expenses.

Other operating income relates to the sale of two biomass boilers to E.ON Energy Solutions Limited, the immediate parent undertaking.

Auditors' remuneration for the audit of these financial statements of £15,000 (2014: £15,000) was borne by the intermediate parent undertaking, E.ON UK plc, and not recharged.

**E.ON PROJECT EARTH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2015 (continued)

**4. Interest receivable and similar income**

	2015 £000	2014 £000
Interest receivable from group undertakings	-	1

**5. Interest payable and similar charges**

	2015 £000	2014 £000
Interest payable to group undertakings	50	4

**6. Tax on profit on ordinary activities**

	2015 £000	2014 £000
<b>Current tax:</b>		
UK corporation tax charge on profits for the year	106	166
<b>Deferred tax:</b>		
Origination and reversal of timing differences	2	-
Tax charge on profit on ordinary activities	108	166

There is no difference between the tax expense for the year (2014: no difference) and the tax expense calculated at the standard rate of corporation tax in the UK for the year ended 31 December 2015 of 20.25% (2014: 21.5%).

The tax rate for the 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 resulting in a standard rate of corporation tax in the UK of 20.25% for the year ended 31 December 2015.

Reductions to the UK corporation tax rates were included in the Finance Act (No. 2) 2015. These reduce the main rate to 19% from 1 April 2017 and to 18% from 1 April 2020. These changes were substantively enacted at the balance sheet date and the deferred tax impact of these changes have been included in these financial statements. A further reduction in the UK corporation tax rate was announced in the March 2016 Budget Statement to reduce the rate to 17% from 1 April 2020 (instead of the previously announced 18% rate). This further change has not been substantively enacted at the balance sheet date and therefore the impact has not been included in these financial statements.

The proposed further reduction in the rate of corporation tax to 17% from 1 April 2020 is expected to be enacted as part of the Finance Bill 2016. The overall effect of this further change, if applied to the deferred tax balance at the balance sheet date, would be immaterial.

The corporation tax payable has been reduced by £106,000 because of group relief received from a fellow group undertaking for which a payment will be made (2014: payment of £166,000).

**E.ON PROJECT EARTH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2015 (continued)

**7. Tangible assets**

	Plant and machinery £000
<b>Cost or valuation</b>	
At 1 January 2015	-
Additions	46
At 31 December 2015	46
<b>Net book value</b>	
At 31 December 2015	46
At 31 December 2014	-

Additions during the year include £46,000 of capitalised cost relating to plant monitoring equipment. Upon completion of the installation, the assets will begin depreciation.

**8. Stocks**

	2015 £000	2014 £000
Work in progress	125	125

**9. Debtors: amounts falling due after more than one year**

	2015 £000	2014 £000
Finance lease receivables (note 14)	11,613	11,879

Rental receivables during the year from finance leases amounted to £1,360,780 (2014: £1,347,000).

**10. Debtors: amounts falling due within one year**

	2015 £000	2014 £000
Trade receivables	542	414
Amounts owed by group undertakings	-	411
Finance lease receivables (note 14)	267	236
Other debtors	1	-
Prepayments and accrued income	519	542
	1,329	1,603

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

**E.ON PROJECT EARTH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2015 (continued)

**11. Creditors: amounts falling due within one year**

	2015 £000	2014 £000
Bank loans and overdrafts	-	20
Trade payables	69	3
Amounts owed to group undertakings	10,957	11,947
Other taxation and social security	85	64
Accruals and deferred income	414	412
	<u>11,525</u>	<u>12,446</u>

Amounts owed to group undertakings includes a loan of £9,858,000 (2014: £11,593,000) which is unsecured, bears interest at a rate of LIBOR plus 50 basis points and currently rolls forward (principal and interest) on a daily basis. All other amounts are unsecured, interest free and repayable on demand.

**12. Provisions for liabilities**

	Deferred tax £000
At 1 January 2015	-
Debited to the profit and loss account	2
<b>At 31 December 2015</b>	<u><b>2</b></u>

**Analysis of deferred tax**

The following are the deferred tax liabilities recognised by the Company and movements thereon during the year:

	2015 £000	2014 £000
Accelerated capital allowances	<u>2</u>	-
Liability at beginning of year	-	-
Deferred tax charge for the year (note 6)	2	-
<b>Liability at year end</b>	<u><b>2</b></u>	<u><b>-</b></u>

The Finance Act 2013 included legislation to reduce the main rate of corporation tax to 20% with effect from 1 April 2015. The Finance Act (No. 2) 2015 further reduced the main rate to 19% from 1 April 2017 and to 18% from 1 April 2020. The deferred tax liability at 31 December 2015 has been measured accordingly.

There are no unused tax losses or credits.

**E.ON PROJECT EARTH LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2015 (continued)

**13. Called up share capital**

	2015 £000	2014 £000
<b>Allotted, called-up and fully paid</b>		
1 ordinary share of £1	-	-

**14. Additional disclosures on financial instruments**

Finance lease receivables

The finance leases granted by the Company arise on the provision of renewable energy generation assets. The duration of the leases are between 23 and 24.5 years and the lessees do not have the option to purchase the assets at the end of the lease. Further information regarding finance lease receivables at 31 December 2015 is shown below:

	2015 £000	2014 £000
<b>Net investment in finance leases comprises:</b>		
Total amounts receivable	25,651	27,011
Less: Interest allocated to future periods	(13,771)	(14,896)
	<b>11,880</b>	12,115
Finance leases – gross receivables due within one year	267	236
Finance leases – gross receivables due after one year	11,613	11,879
	<b>11,880</b>	12,115

**15. Explanation of transition to FRS 101**

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 101. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 December 2015, the comparative information presented in these financial statements for the year ended 31 December 2014 and in the preparation of an opening FRS 101 balance sheet at 1 January 2014 (the Company's date of transition).

In preparing its FRS 101 balance sheet, the Company had no adjustments to amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP).

**16. Ultimate holding company**

The Company is controlled by E.ON Energy Solutions Limited. The ultimate parent undertaking and controlling party is E.ON SE, which is the parent company of the largest and smallest group to consolidate these financial statements. Copies of E.ON SE's financial statements are available from the offices of E.ON SE at the following address:

E.ON SE  
Brüsseler Platz 1  
45131 Essen  
Germany