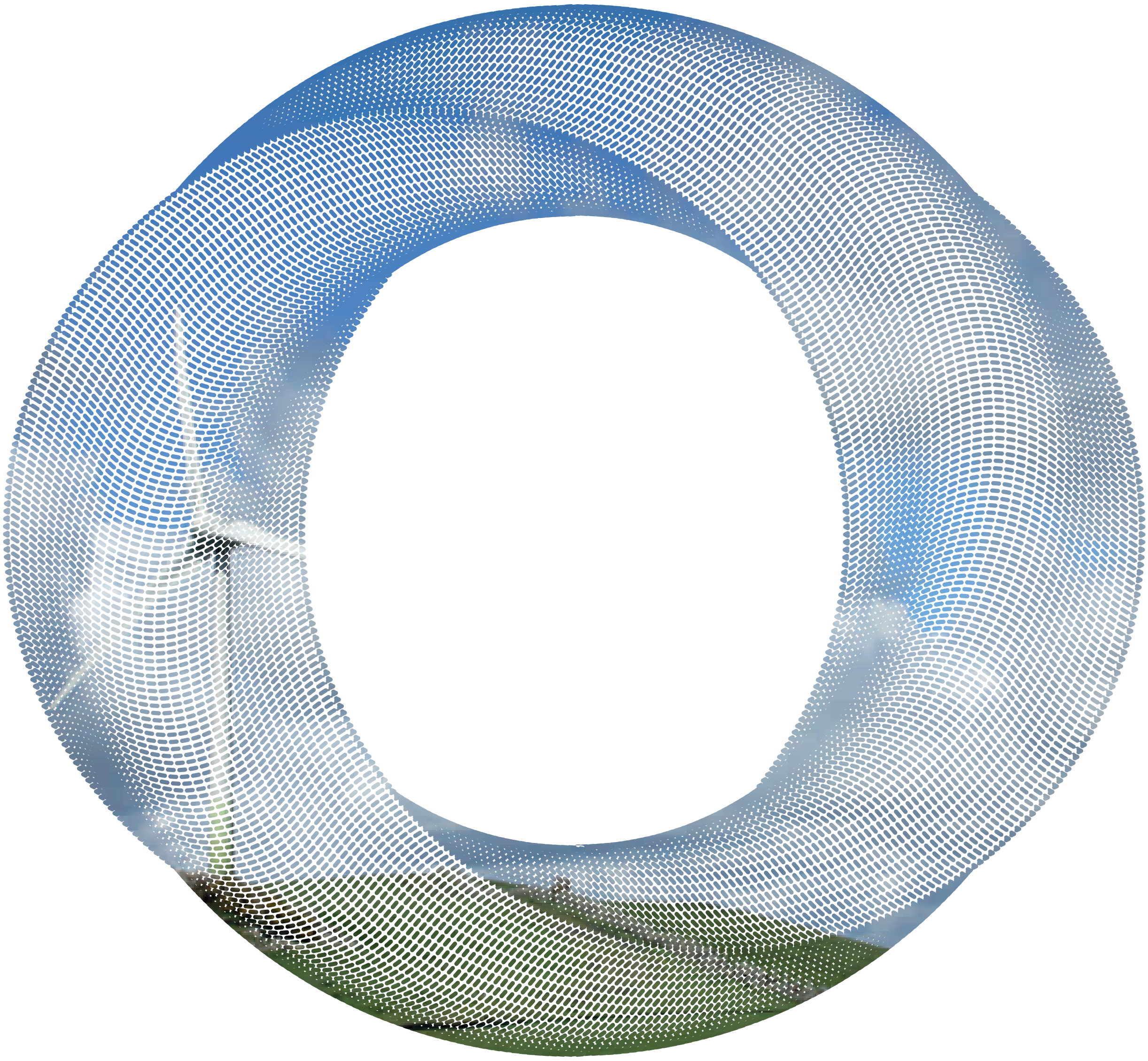


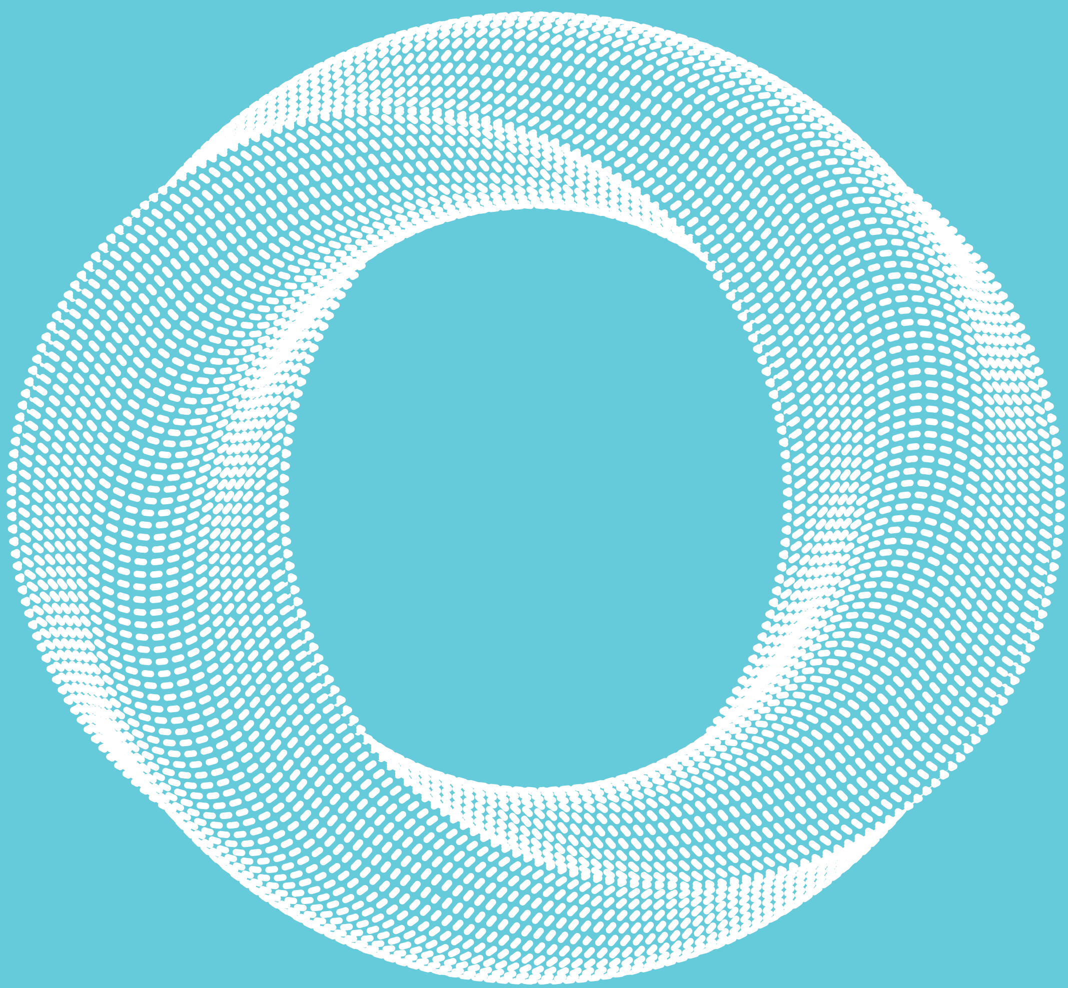
THRIVE RENEWABLES PLC

(FORMERLY TRIODOS RENEWABLES PLC)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2015

THRIVE
RENEWABLES



CONTENTS

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CHAIR'S STATEMENT

Dear Shareholder,

These are exciting times for your company. 2015 was another record-breaking year of renewable generation (26% up on 2014), and we saw strong growth in our community of shareholders (up 16% in the year to 5,700). Revenue is up 22% to £15m and pre-tax profit is £2.3m (resulting in a recommended 4p dividend). We have also delivered increased impact with generation equivalent to 41,187 homes and 72,876 tonnes of CO_2 saved (up 26% on last year).

You will also have noticed that this Annual Report bears a new company name, Thrive Renewables Plc.

At the General Meeting in February 2016, shareholders agreed to change the name from Triodos Renewables Plc and end the legal control which Triodos Bank could exert through the "A" share it held since the company was founded in 1994. This was, in part, a response to regulatory pressure on Triodos Bank to step away from such activity but, more fundamentally, the result of a recognition by both organisations that the company would be more able to flourish as a truly independent entity.

Our core purpose is unchanged: to enable people like you to take a direct and rewarding stake in renewable energy generation in the UK, cutting the UK's dependency on fossil fuels in the process. We retain the same underpinning belief that, by widening ownership of renewable energy assets, we help to change the relationship between people and the energy system upon which we rely for the better.

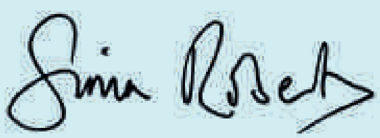
As the results outlined here demonstrate, we have served this purpose well this year.

We have a strong executive team, now directly employed by Thrive Renewables, who continue to find and deliver new investment opportunities and to manage our assets effectively. We are strengthening our communications capacity to raise the company's profile and to keep shareholders and the wider public more up-to-date with our work (sign up for our newsletter at www.thriverenewables.co.uk/newsletter).

The new, rather less supportive policy framework for renewable energy in the UK does create some challenges. That said, the changes brought in by the Government since May 2015 have limited impact on our existing portfolio of projects or on immediate project investment prospects. However, we anticipate that, particularly from 2017 onwards, future investment opportunities will potentially have different technical features (such as energy storage and demand side response) and commercial characteristics (such as local supply arrangements). We are keeping close to these markets as they emerge so that we understand the risks well and can take advantage of appropriate opportunities as they arise.

We have this year adopted the new International Financial Reporting Standards (IFRS) which has resulted in changes to how some of our financial transactions are now reflected in our Profit and Loss Account and Balance Sheet. Alongside this Annual Report we are also providing shareholders with an additional document with explains these changes.

Many thanks for your support and we look forward to working with you to continue contributing to a more sustainable energy system in the next exciting chapter for Thrive Renewables.



Simon Roberts OBE
Chair of the Board of Thrive Renewables Plc

STRATEGIC REPORT

THE DIRECTORS PRESENT THEIR ANNUAL REPORT AND THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015.

BUSINESS MODEL

We established Thrive Renewables to provide equity finance through direct investment in small-to-medium scale renewable energy projects, such as wind farms and hydro electric schemes. The development of the business and shareholder base provides a mechanism for individuals and institutions to invest directly in renewable energy opportunities.

The number of sites in the group has grown steadily over the last few years and at the end of 2015 comprised 14 operating companies:

- **Thrive Renewables (Eye) Limited** – wind farm
- **Thrive Renewables (Severn) Limited** – wind farm
- **Thrive Renewables (Beochlich) Limited** – hydro-electric
- **Thrive Renewables (Haverigg II) Limited** – wind farm
- **Thrive Renewables (Ness Point) Limited** – wind farm
- **Thrive Renewables (Caton Moor) Limited** – wind farm
- **Thrive Renewables (Sigurd) Limited** – wind farm
- **Thrive Renewables (Wern Ddu) Limited** – wind farm
- **Thrive Renewables (Kessingland) Limited** – wind farm
- **Thrive Renewables (Dunfermline) Limited** – wind farm
- **Thrive Renewables (March) Limited** – wind farm
- **Thrive Renewables (Auchtygills) Limited** – wind farm
- **Thrive Renewables (Clayfords) Limited** – wind farm
- **Boardinghouse Wind Farm Limited** – wind farm

In addition, the group owns 50% of TR (Fenpower) Limited (formerly Triodos Renewables (Fenpower) Limited) which owns a 49.8% stake in Fenpower Limited, the operational wind farm, Ransonmoor.

During 2014, the group established Thrive Renewables (Boardinghouse) Limited to acquire a 55% stake in Boardinghouse Windfarm Limited, a 10.25MW wind farm in Cambridgeshire. In 2015 the group acquired an additional 20% stake to take the total shareholding to 75%.

BUSINESS REVIEW

The group's trading results for the financial year and the group's and company's position at the year-end are shown in the attached financial statements.

Thrive Renewables (Boardinghouse) Limited acquired a further 20% share of Boardinghouse Wind farm Limited in April 2015. Boardinghouse Wind farm Limited commenced construction of a 10.25MW wind farm close to March, Cambridgeshire in June 2014 and generation began in May 2015 four months ahead of schedule.

At the end of 2014 Thrive Renewables (Buchan) Limited (formerly Triodos Mellinsus Projects Limited) progressed with the procurement of the required works and goods to complete the development of the two single wind turbine projects in Aberdeenshire. This required the establishment of Thrive Renewables

Construction of Thrive Renewables (Severn) Ltd wind farm near Bristol

(Auchtygills) Limited (formerly Triodos Renewables (Auchtygills) Limited) and Thrive Renewables (Clayfords) Limited (formerly Triodos Renewables (Clayfords) Limited), both owned 100% by Thrive Renewables (Buchan) Limited. Following the completion of the procurement phase and commencement of the construction of the two wind projects, Thrive Renewables exercised its right to acquire the remaining 40% of Buchan from Mellinsus Renewables Limited, resulting in Thrive Renewables owning 100% of Buchan and its two subsidiaries, Thrive Renewables (Auchtygills) Limited and Thrive Renewables (Clayfords) Limited. Both assets commenced generation in April 2015.

The company's operational generating capacity grew by 17%, from 54.8MW in 2014 to 64.1MW in 2015. The energisation of Boardinghouse, Auchtygills and Clayfords in the spring added 11.85MW (9.3MW owned[1]) to the portfolio. Additionally, in November the Company provided a £2.7m mezzanine debt facility to Renewable Energy Ventures (Gevens) Limited. The £2.7m facility bridges a funding gap, allowing the developer to continue to own and realise the three turbine 6.9MW wind project located in Fife, Scotland. The project is scheduled to commence operations in autumn 2016.

The addition of the three new wind projects combined with good wind resources in 2015 allowed Thrive Renewables' owned portfolio[2] to generate a total of 169,485MWh of renewable energy, 26% more than the 134,480MWh generated in 2014. The 2015 generation is equivalent to satisfying the electricity demand of 41,187[3] UK homes (32,080: 2014).

On a like-for-like basis our sites generated 10% more renewable electricity than in the previous year and, with the addition of three new sites into our portfolio, we are delighted to have increased overall generation by 26%.

Thrive Renewables Plc launched its eighth share issue in October 2014. The capital raising campaign closed in 2015, raising a total of £4.1m. The share issue was well supported by existing shareholders who contributed 33% of the funds raised, and additionally 813 new shareholders joined the company, representing 16% growth in the shareholder community, a key measure of success for Thrive Renewables. Over the past 21 years shareholders have invested £36m into the company which has been employed in generating renewable electricity.

In 2015, we continued our commitment to the share buy-back scheme, buying back 288,117 shares at a 10% discount to the directors' valuation from shareholders waiting to sell on the Matched Bargain Market. In response to shareholder feedback, the directors appointed a new Matched Bargain Market operator, James Sharp & Co., in December 2015. The aim of this was to enhance the transparency and liquidity of the secondary market for shares in the company. The new operator provides a monthly auction which has increased the volume of shares being successfully matched and has greatly shortened transaction timeframes. In light of the improvement in the Matched Bargain Market the directors will review the requirement for a buy-back. We are optimistic therefore that no buy-back will be required. Any future provision of a buy-back scheme will be subject to shareholder approval.

The directors have recommended the payment of a 4p dividend for the year which will be subject to approval by the shareholders at the AGM.

[1] The Company owns 75% of Boardinghouse wind farm, 7.7MW of the 10.25MW project.

[2] Thrive Renewables does not own 100% of all of the projects in the portfolio, so we report the generation and impact figures on a pro-rata basis in line with the group's shareholding.

[3] DECC: 4,115 kWh/home

OPERATIONAL REVIEW

Comparison of 2015 Generation against 2014

SITE	GENERATION COMMENCED	GENERATION 2015 MWH	GENERATION 2014 MWH	GENERATION CHANGE %
Beochlich	1998	3,224	2,585	24.7%
Haverigg II*	1998	4,417	3,985	10.8%
Sigurd	2001	4,828	3,706	30.3%
Caton Moor	2006	44,274	44,992	(1.6)%
Ness Point	2005	6,014	3,615	66.4%
Wern Ddu	2010	24,644	20,985	17.4%
Kessingland	2011	14,199	13,583	4.5%
Dunfermline	2011	3,241	2,908	11.5%
Eye	2013	14,093	13,776	2.3%
Ransonmoor (Fenpower)*	2013	6,699	5,595	19.7%
Avonmouth	2013	21,312	18,085	17.8%
March	November 2014	4,664	665	N/A
Auchtygills	April 2015	1,192	Nil	N/A
Clayfords	April 2015	1,400	Nil	N/A
Boardinghouse*	May 2015	15,284	Nil	N/A
Total		**169,485**	**134,480**	**26%**

*generation from the site calculated in proportion to Thrive Renewables' ownership.

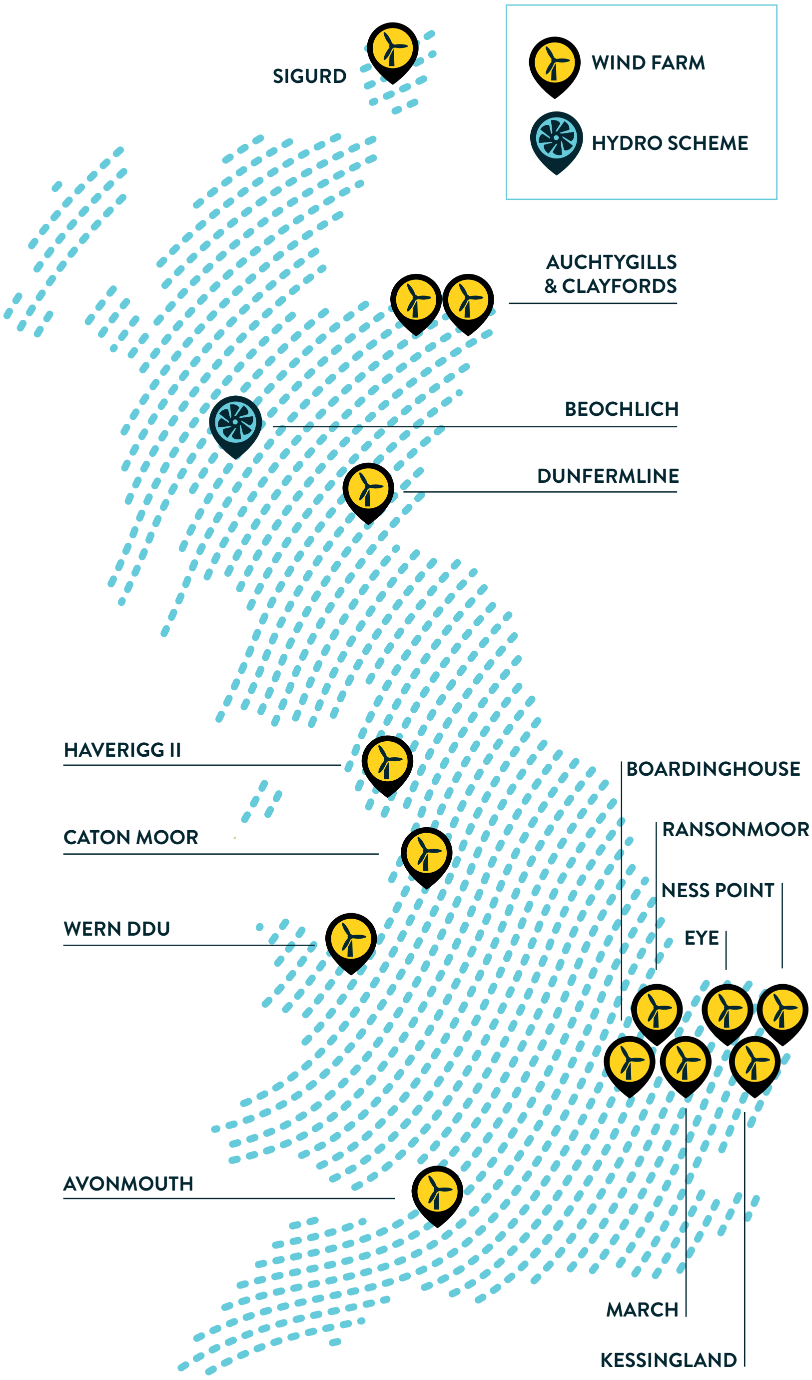
HEALTH AND SAFETY

There were no Health and Safety Executive (HSE) reportable accidents or incidents in Thrive Renewables' operational activities during 2015 (2014 – nil). There was one reportable accident which occurred during construction at Boardinghouse wind farm where a sub-contractor's crane operative broke one of his wrists. Work was stopped immediately and until an internal investigation established the cause and confirmed work could continue safely.

Our Operations Manager attended a number of dedicated renewable industry health and safety events during the year and we work closely with experienced contractors to continually improve site rules and arrangements, ensuring our activities comply with evolving regulations and industry good practice. In particular, the company has implemented the changes required under the Construction (Design and Management) (CDM) regulations in April 2015.

MANAGEMENT OF OPERATIONAL ASSETS

Thrive Renewables continues to work closely with third party asset managers to oversee the safe and efficient operation of our growing UK portfolio over the life of individual projects. Engaging with these industry specialists allows us to access appropriate technical knowledge and to benefit from experience outside our own portfolio. This approach is combined with robust internal processes and systems to provide a scalable approach for the growing business as we deploy new capital into an exciting pipeline of new renewable energy projects. During 2015 the company also took proactive steps to understand the long-term options for maturing assets in our ownership.



OPERATIONAL REVIEW

Beochlich

The Beochlich Burn is located on the south-east side of Loch Awe in Argyll, Scotland, recognised as one of the best areas for small-scale hydro-electric generation in the country. Our 1.0MW project consists of two turbines fed from a storage reservoir which allows the flow to be regulated when rainfall is high. In two unrelated events there was damage to the pipe which builds water pressure ahead of the turbines. In both these instances we took the opportunity to do planned servicing and proactive improvements to minimise lost generation. The site generated a total of 3,244 MWh in 2015, which was 24.7% higher than during 2014 (2,585MWh).

Haverigg II

This four-turbine site has a total capacity of 2.4MW and is located on the Cumbrian coast, the result of a joint venture between Thrive Renewables and The Wind Company (UK), with one turbine owned by Baywind Energy Co-operative. Operational since 1998, this is one of the older sites in the Thrive Renewables portfolio and we have been considering options to maximise the benefit of this project into the future. In 2015 the site generated 5,889MWh (4,417MWh pro rated for the 75% Thrive Renewables ownership) which was 11% up from 2014 (3,985MWh). On these more mature assets we are pleased that our new service provider has been able to take a positive approach to addressing the root cause of faults which resulted in improved availability during 2015. Indeed, combined with good wind resource, December 2015 saw the highest calendar month of production since January 2007.

Sigurd

Burgar Hill in the Orkney Islands was developed as a renewable energy development centre in the 1980s and is one of the windiest onshore sites in Europe. Sigurd, Thrive Renewables' 1.3MW turbine on the site, generated 4,828MWh in 2015 which was 30% up on 2014 (3,706MWh).

Caton Moor

Caton Moor is the largest site currently in Thrive Renewables' portfolio and is located in Northern Lancashire, just east of Morecambe Bay. It is an open access area with eight turbines and a total capacity today of 16MW after the original wind farm, one of the first in the UK, was repowered in 2006. Because it is open access countryside, you can actually visit (it's just off the M6 at Junction 33) and experience the scale yourself. In 2015 the site generated 44,274MWh which was 1.6% less than the year before (2014 – 44,992MWh), partly due to major flooding at the grid's Lancaster sub-station in early December which damaged equipment there and interrupted our ability to export reliably.

Ness Point

Our Ness Point wind turbine has been nicknamed 'Gulliver' locally as it was the largest onshore turbine in the UK when it was erected in 2005. During 2015 the project generated 6,014MWh which is up 66% on 2014 (3,615MWh in 2014). A generator fault at the end of November, however, proved impossible to repair in situ and work to recommence generation continued into the new year.

Wern Ddu

Thrive Renewables' Wern Ddu site consists of four turbines with a total 9.2MW capacity and is located in North Wales between Gwyddelwern and Ruthin. During 2015 the site generated 24,644MWh (2014 – 20,985MWh) which was ahead of the pre-construction annual forecast.

Kessingland

Our two wind turbines near the village of Kessingland in Suffolk generated a total of 14,199MWh during 2015 which was marginally up from 2014 (13,583MWh). One of our two turbines is constructed in the grounds of the Africa Alive! animal park and attracts considerable interest from visitors to this popular attraction.

Dunfermline

Our site in Dunfermline generated a total of 3,241MWh in 2015 which is up 11% on 2014 (2,908MWh) and above the target figure for the site. The single turbine is built in an industrial area and supplies renewable energy directly to a local manufacturer on the same site. The manufacturing company benefits from both a rental income and stable electricity price, allowing it to plan effectively and provide important local employment.

Eye

During 2015 the two turbines on the Eye Airfield industrial estate generated 14,093MWh which is up slightly on 2014's generation of 13,776MWh. We were pleased that this generation figure was ahead of the annual forecast. In January 2014 two additional wind turbines were constructed nearby by another operator recognising the good wind resource and capacity for renewable energy generation locally. The Thrive Renewables project at Eye is another 'merchant site' where we are able to sell the electricity we generate directly to a long-established family business. Any surplus electricity is exported to the grid.

Ransonmoor

Ransonmoor is a five-turbine, 10.1MW onshore wind farm which has been operating since 2007. In 2015, Ransonmoor generated a total of 26,905MWh (2014: 22,469MWh) renewable energy. Pro rata, our investment (24.9% from 28 February 2013) represents 6,699MWh (2014: 5,595MWh) of this. It was unusual for Thrive Renewables to invest in a site which was already operational and the decision was based on the understanding that our investment would release capital for one of the original developers to proceed with a new wind farm development - Boardinghouse Wind Farm.

Avonmouth

Just 15 minutes from the Thrive Renewables head office in Bristol, the development at Avonmouth is one of the largest dock areas in Europe. The four Senvion MM92 turbines were energised at the end of November 2013. The site is located at the grounds of Wessex Water's Sewage Treatment Plant and 2014 was the first full operational year for the site. During 2015 the project generated 21,312MWh (2014 - 18,085MWh) and there is a live feed of production onto our website project page at www.thriverenewables.co.uk/avonmouth.

In 2015, we held a second popular public open day and we hosted a school visit to the site as part of Bristol's European Green Capital educational initiative. These events are described in more detail under the section on Measuring Impact.

March

In November 2013 Thrive Renewables acquired a new company from Wind Direct with rights to develop and build a 1.5MW wind turbine project. In 2015, our first full year of operations, generation was 4,664MWh (2014: 665MWh), above the pre-construction annual estimate. This project is adjacent to the potato packaging centre in March, owned by Greenvale AP. The project was built and commenced operations during November 2014 delivering electricity directly to Greenvale and contributing to the sustainability of the operation, with any surplus exported to the local distribution network.

Thrive Renewables (Buchan) Limited (formerly Triodos Mellinsus Projects Limited)

During 2014 Thrive Renewables (Buchan) Limited progressed with the procurement of the required works and goods to complete the development of the two single wind turbine projects in Aberdeenshire – Auchtygills and Clayfords. Each project comprises one 800KW wind turbine. In 2015, generation was 2,592MWh. Both turbines were erected during March 2015 and commenced generation ahead of schedule in April 2015.

Boardinghouse

In February 2014 Thrive Renewables acquired a 55% stake in Boardinghouse wind farm, a five-turbine site and a further 20% in April 2015. Thanks to the good local wind speeds it is expected to generate 30,000MWh of electricity per year, equivalent to the average annual electricity demand of 7,000 homes. Generation commenced in May 2015, ahead of the October expected date, and total generation for 2015 was 20,739MWh (pro rata for our ownership, the generation was 15,284MWh).

INVESTMENTS IN SUSTAINABLE ENERGY AND DEVELOPMENT COMPANIES

DEVELOPMENT PROJECTS

Gevens wind farm

In November 2015, the company agreed a £2.7m mezzanine finance facility with Renewable Energy Ventures (Gevens) Ltd (REVG). REVG have successfully secured all the required rights and permits to build a 6.9MW wind farm in Fife, Scotland, close to Camilla Loch and Loch Gelly. Thrive Renewables has provided the capital to plug the funding gap. The project reached financial close in December of 2015, and is now in the construction phase, with commissioning due in autumn 2016.

UK RENEWABLE INDUSTRY OUTLOOK

The growth of renewables in the past ten years has been the success story of energy in the UK, with the proportion of renewables contribution to the grid growing from 1.3%[4] to 25%[5]. In 2015 renewable energy generators delivered more of the UK's electricity than either coal or nuclear. Globally, 53% of new energy capacity constructed in 2015 was renewable, with renewables now delivering 10% of global electricity needs[6]. Progress indeed, and the Paris Conference of Parties (CoP) pledge to keep global temperature increases below 2.0°C, and 'endeavour to limit' them even more to 1.5°C, has been made by almost 200 nations. There is a sense that momentum for change has reached a critical point, where the focus has shifted from 'if' to 'how' to address climate change.

From a policy perspective, the drivers for change are in place: the EU has a greenhouse gas emission reduction target of 40% below 1990 levels, to be achieved by 2030. This doubles the current 20% target set for 2020 and demonstrates that the EU is committed to tackling climate change. To meet this emission reduction target it is estimated that approximately 45% of electricity will need to be generated by renewable technologies. The UK continues to be committed to the 2030 target. The challenge of achieving these targets provides the company with confidence in growth potential.

The UK general election in May 2015 was closely followed by a number of proposed changes to energy policy which has impacts on the company. This, combined with the negative movement in global oil prices (which had a knock-on impact on wholesale electricity prices), has made 2015 a challenging year for our operations.

In the Chancellor's budget on 8 July 2015, two changes were announced which impacted the valuation of the company. The first, a reduction in Corporation Tax to 18% from 2020 had a positive impact on the valuation outlook. The second was the abolishment of the eligibility of renewable generators to claim exemption from the Climate Change Levy. This will reduce the financial performance of all renewable projects in the UK including our wind farms and hydro project. The justification for change to Climate Change Levy exemption announced relates to approximately a third of the exemption payments being made to overseas operators which was not the intended purpose of the exemption. The removal of the LEC eligibility reduced the company's revenue by c. 4%.

[4] http://www.publications.parliament.uk/pa/ld200708/ldselect/ldeucom/175/17506.htm

[5] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/487863/Renewables.pdf

[6] http://www.instantflipbook.com/flipbooks/fc7f7e38f5/ (Global Trends in renewable Energy investment 2016, UNEP)

Delegates from a planning seminar visit Caton Moor, and are impressed to find no visible evidence of the previous turbines removed during repowering

The wholesale electricity prices and the company's long-term outlook on electricity prices has fallen over the course of 2015. This reduction is primarily driven by the fall in global oil prices and the introduction of a 'Capacity Market'. Global oil prices fell by 53%[7] in 2015. Natural gas (gas) fell in a similar way. Almost 30% of the UK's electricity was supplied by gas-fired power stations. Capacity Markets are being introduced by the UK and some other European Governments as a means of incentivising the operation and construction of non-renewable sources of generation which are not dependent on variable resources (sunlight, rainfall and wind) to be ready and able to generate. The need for the Capacity Markets is part of the transition to a cleaner energy system and is a function of the successful deployment of renewable energy. With gas prices falling, and the conventional generation plant able to secure additional revenues (other than the sale of electricity), the seasonal wholesale electricity prices have fallen by 18% in 2015. While the reduction in wholesale electricity prices is unhelpful, the company mitigates the risk of wholesale price movements using the power sales arrangements. Electricity sales presently account for 48% of the Company's revenues; of this 62% is protected by way of a price fixing or floor prices. The combination of diversity of revenue streams and price fixing and floor structures buffers the company's revenues from the volatility in the wholesale electricity market.

The Government continues to provide renewable generators with comfort that the projects which have qualified for support will continue to benefit from this support for 20 years. We are therefore confident that the company's portfolio of operational projects will continue to receive support throughout the planned commercial life.

As part of the Government's election manifesto pledges they have declared an intention for the transition from the Renewables Obligation (RO) to Contract for Difference Feed in Tariff (CfD) to be accelerated from April 2017 to April 2016. The Feed-in Tariffs available to smaller projects (below 5MW) have also been reduced significantly. While these changes are prompted by the success of the renewables sector to rapidly deploy and contribute to the electricity, the time horizons upon which they are proposed to change are detrimental to project developers.

The proposed change in the transition from the RO to CfD took longer than intended to be fully legislated, and this lack of clarity around the transition has significantly reduced developers' appetite to take the risks involved in project development. The cuts in the FiT are also threatening the viability of new generation project development.

[7] http://www.eia.gov/todayinenergy/detail.cfm?id=24432

Grace periods are planned for projects which were substantially developed and financially committed before the proposed changed were announced in June 2015, so many of the more progressed projects will continue to be built despite the changes, but the growth in new renewable energy projects that has been achieved over the last ten years will be interrupted by the proposed changes in support.

Over our 21 years of operation, we have seen the regulatory landscape change many times, and are ready to adapt as necessary. We are working with generation projects which we are confident will meet the required deadlines and qualify for support. Our intention to provide a means for shareholders to continue to contribute to a more sustainable energy system remains unchanged.

In the context of continuing to grow our operations and impact in the transitional regulatory environment, we are focusing on the following areas;

1. extension of the life of our existing portfolio,
2. reviewing the viability of repowering our more mature assets with modern technology,
3. identifying more merchant projects similar to Dunfermline, Eye and Greenvale, where power can be sold directly to the host,
4. seeking ways to work with the renewable energy project supply chain to build renewable generation assets which do not require government support, and
5. evaluating the intergration of electricity storage into the portfolio, which would allow renewable energy to be delivered on demand.

We are also evaluating opportunities beyond electricity generation to contribute to the evolution of the energy system changes, such as energy efficiency projects, commercial and distributed heat projects and demand side management systems. Demand side management systems can enable greater proportions of renewables on the grid.

The fact that 25% of the UK's electricity was generated by renewable projects in 2015 is a great achievement. The energy system needs to continue to adapt to permit renewables to reach 50% and beyond. We intend to contribute to this transition by continuing to invest in the most sustainable solutions for cleaning up and reducing the cost of the energy system.

FINANCIAL REVIEW

The group achieved a statutory pre-tax profit of £2,310,000 for the year ended 31 December 2015 compared to a pre-tax loss of £96,000 in 2014 (after IFRS transition adjustments of £1,755,000). The statutory results under IFRS include movements on the fair values of financial instruments (gain of £249,000 in 2015 and loss of £1,637,000 in 2014). Excluding the impact of market-based financial instrument gains and losses, the underlying pre-tax profit in 2015 was £2,061,000, increased from £1,659,000 in 2014. This result was affected by a number of factors:

- Additional capacity added from Auchtygills, Claryfords and Boardinghouse contributed 17,876MWh of increased generation (13%).
- The existing portfolio experienced increased availability and wind speeds amounting to 17,129MWh of increased generation (13%).
- The increased capacity resulted in £2,616,000 additional revenues and generation was on target due to good wind speeds.

- Additional costs from the increased capacity were £1,196,000 direct costs, £464,000 additional administrative costs and £522,000 net interest costs and share of associated profits. This totals £2,182,000 additional costs.
- The net impact is increased pre-tax profit of £402,000.

The trading results for the financial year and the group's position at the year-end are shown in the attached financial statements and a summary of turnover by operating site is as follows:

	2015	2014	2013
Profit before Tax previously reported under UK GAAP	£2,061,394	£1,659,446	£1,732,256
IFRS adjustments (see note 33)	£248,530	£(1,755,174)	£(144,245)
Profit before Tax now under IFRS	£2,309,924	£(95,728)	£1,588,011

Turnover summary by operating site

SITE	DATE ACQUIRED	YEAR 2015 £'000	YEAR 2014 £'000	YEAR 2013 £'000	YEAR 2012 £'000	YEAR 2011 £'000	YEAR 2010 £'000
Beochlich	1998	313	242	342	335	243	207
Haverigg II	1998	433	416	375	360	280	208
Ness Point	2005	561	605	440	580	485	574
Caton Moor	2006	3,439	3,604	3,571	3,030	3,790	2,305
Sigurd	2006	265	202	189	206	185	172
Wern Ddu	2009	2,138	1,843	1,946	1,744	2,129	1,010
Kessingland	2010	1,703	1,680	1,522	1,528	746	-
Dunfermline	2011	589	513	494	472	61	-
Eye	2012	1,446	1,599	1,034	-	-	-
Avonmouth	2012	1,752	1,634	190	-	-	-
March	2013	747	95	-	-	-	-
Auchtygills	2007	144	-	-	-	-	-
Clayfords	2007	165	-	-	-	-	-
Boardinghouse	2014	1,457	-	-	-	-	-
Other	N/A	6	-	-	-	-	-
		15,158	12,433	10,103	8,255	7,919	4,476

On 31 December 2015, the group held £8,229,000 of cash compared to £8,072,000 in 2014. These cash reserves are held in the business for working capital requirements and debt service reserves. The group's net debt at 31 December 2015 was £47,853,000 (2014: £43,506,000), an increase of £4,346,000 over the previous year as a result of additional debt financing raised to fund new renewable assets. The ratio of net debt to fixed assets at 31 December 2015 was 54% compared to 52% in 2014.

Following a satisfactory financial and operating performance in 2015, the directors consider that the company remains in a strong financial position to progress in the future.

MEASURING IMPACT

Measuring the environmental and social impact of our renewable energy assets alongside the financial performance allows shareholders to see the positive impact that their investment is making beyond the financial rewards. Our website now includes an impact calculator so you can assess the environmental impact of your own shareholding. Visit www.thriverenewables.co.uk/calculator and enter the number of shares you own to calculate your impact for 2015.

Environment[8]

Thrive Renewables' energy projects are contributing to the Government's commitment to supply 15% of the UK's energy demand from renewable sources by 2020. During the year our renewable energy portfolio generated 169,485MWh. This is equal to offsetting approximately 72,876 tonnes of CO2 (2014: 57,826 tonnes), which translates to 12.83 tonnes of CO_2 saving per year per average shareholder (based on 3,800 shares) and is much higher than the UK national average CO_2 emissions per person at 7.1 tonnes.

Education

We think it is essential to engage with communities around our projects, helping groups and individuals to learn more about renewable energy and the sites they neighbour. During 2015 we ran two open days which welcomed members of the public to visit a commercial wind farm. The first was aimed at families with fun, educational activities ranging from The Wind Farm Game (@WindFarmGame) and ExplorerDome (@ExplorerDome) to face painting, wind farm crazy golf and amazing organic ice cream (@VeeDoubleMoo). The second was part of the national Heritage Open Doors series, allowing visitors access to interesting sites not normally open to members of the public. Both of these allowed adults and children to ask questions directly to our team and to dispel common myths about renewable energy.
In addition, the ExplorerDome renewable energy show we commissioned was delivered into a primary school before Year 4 students came to visit our Avonmouth site to make a film about renewable energy as part of Bristol's year as European Green Capital in 2015. The short film they produced is available on www.sustainablelearning.com for teachers nationwide to use as a peer-to-peer learning resource for their own curriculum activities.

Community Benefit

As part of the planning consent for our more recent developments we agreed to make a community benefit fund available to be managed and distributed locally. At Wern Ddu these payments totalled over £10,000 for the year and have supported initiatives as diverse as meals on wheels, childrens' playground equipment, junior sports team kits and provision of art workshops. At other sites these payments have made improvements to the energy efficiency of street lighting and even Christmas lights.

We are conscious, however, that the industry 'good practice' for new renewable energy sites being developed has changed over the years in response to subsidy changes and precedents set by certain developments and politicians. As a long-standing, responsible operator, Thrive Renewables voluntarily established and launched an additional programme in November 2015 which is available to communities close to any of our sites around the UK. The Community Benefit Programme is focused on energy improvements to community buildings which are relied upon by groups and individuals to meet and interact. Building representatives can apply for up to £4,000 to make energy improvements (such as insulation, draught-proofing, thermostat controls, and lighting) which will make the building more sustainable, more comfortable to users, more cost effective to operate and more accessible to

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[8] Method used for calculations:

CO_2 saved
Thrive Renewables uses DECC's carbon saving figure of 430g/kWh. The same conversion figure is used by Renewable UK on its website. Carbon reduction is calculated by multiplying the kWh produced by projects in our portfolio by the number of grams of CO_2 saved per kilowatt hour and dividing by 1,000,000 (to align the units, as grammes of CO_2 is expressed in kWh). So, for example, for Caton Moor: 40,369,000 x 430 / 1,000,000 = 17,359 tonnes of CO_2 in 2013.

More information
http://webarchive.nationalarchives.gov.uk/20130403171904
http://www.decc.gov.uk/assets/decc/what%20we%20do/supporting%20consumers/saving_energy/analysis/fes-appendix.pdf

Homes Powered Equivalent (p.a.)
This is calculated using the most recent statistics from the Department of Energy and Climate Change showing that annual UK average domestic household consumption is 4,115kWh. http://www.renewableuk.com/en/renewable-energy/wind-energy/uk-wind-energy-database/figures-explained.cfm

CO_2 usage per person in the UK
CO_2 per person in the UK sourced from http://data.worldbank.org/indicator/EN.ATM.CO2E.PC

169,485MWh

AMOUNT OF GREEN ENERGY WE GENERATED IN 2015

£4,000

SUBSIDIES FOR ENERGY IMPROVEMENTS IN COMMUNITY BUILDINGS

41,187

NUMBER OF UK HOMES EQUIVALENT POWERED FROM OUR PORTFOLIO IN 2015

£10,000

TOTAL COMMUNITY BENEFIT FUND AT WERN DDU SUPPORTING LOCAL INITIATIVES

SHORT FILM

CREATED BY YEAR 4 STUDENTS AS PART OF BRISTOL'S GREEN CAPITAL YEAR

12.83 TONNES CO_2

SAVED PER YEAR BY AN AVERAGE SHAREHOLDER (BASED ON 3,800 SHARES)

vulnerable groups relying on it. The programme also offers advice on free measures which could be adopted. Our grants fill a gap between domestic and commercial funding and the scheme is managed by the national charity Centre for Sustainable Energy (CSE). The impact of this programme is wide reaching, as the community learns more about our project nearby and may consider replicating the improvements in their own homes.

News about our events, sites and impact are posted on our website and sent out in a regular email newsletter. You can sign up to receive these newsletters at www.thriverenewables.co.uk/newsletter

GOING CONCERN

Thrive Renewables operates within the electricity industry, which is subject to both high-level regulation and long-term government support. The group owns operational capital assets and has the benefit of long-term contracted revenues with electricity companies. The directors consider that these factors provide confidence over future forecast income streams. In addition, the directors consider that the company and the group have sufficient cash funds and finance facilities available for their ongoing operations.

After due consideration, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group's activities expose it to a number of financial risks including price risk, interest rate risk, credit risk, foreign exchange risk, operating risk and changes in government policy. The use of financial derivatives is governed by the group's policies approved by the Board of Directors, which provides written principles on the use of financial derivatives to manage these risks. The group does not use derivative financial instruments for speculative purposes.

Price risk

Thrive Renewables is reliant on market wholesale electricity prices at its largest three sites, Caton Moor, Boardinghouse and Wern Ddu. To mitigate this risk, we negotiate long-term power price agreements (PPAs) with price fixing mechanism and 'floor' prices to protect our downside risk. Certain aspects of our financing arrangements require the group to enter into Retail Price Index (RPI) swaps to manage an element of risk relating to changes in the RPI rate built into ROC contracts on the related sites.

Interest rate risk

Thrive Renewables utilises a mixture of debt and equity to finance growth in the portfolio of operating assets. The debt financing potentially exposes the business to interest rate fluctuations. The risk has been minimised by gearing each new project at a level to allow debt repayments to be met with sufficient headroom. In most cases, long-term loans are subject to fixed interest rates which eliminate exposure to interest rate increases. Where long-term loans are not at fixed interest rates, the group seeks to fix these through the use of interest rate swaps.

Credit risk

In the event of default by a customer, significant financial loss could arise. However, Thrive Renewables will normally only consider entering into power purchase agreements for the sale of its electricity with utility companies or government-backed contracts. With merchant projects such as Dunfermline and Eye, an industrial host is the primary recipient of production, and therefore the counterparty to the PPA. However, there are also power purchase arrangements in place with reputable utility companies to receive any excess power, and the entire volume in the case of default of the host.

Foreign exchange risk

Thrive Renewables imports capital equipment for the construction of renewable energy projects direct from suppliers located abroad and is therefore exposed to risk from fluctuations in foreign currency exchange rates. Forward currency contracts are purchased to mitigate foreign currency exposures at the time of entering into any such contract or commitment.

Operating risk

The generation of electricity involves mechanical and electronic processes which may fail under certain conditions, leading to loss of revenues and repair or replacement costs. Thrive Renewables uses tried and tested technologies backed by warranty and service packages. Generally, warranties will guarantee a level of availability for between five and fifteen years and there will normally be a fixed price or index to production for the provision of operations and maintenance. We also buy specialist insurance to seek to mitigate against any losses.

Government policy

The renewable energy industry receives government incentives to encourage the generation of renewable energy. While there is a possibility of a change in the political party forming the UK government, all main political parties have made strong commitments to meeting high renewable energy targets, although there is always a risk of changes in policy relating to specific renewable incentives. To date, whilst there have been several changes in support mechanisms, the schemes for which existing projects have qualified have not been modified. This allows each project to benefit from the original support for a predetermined term. No main political party has proposed any retrospective change.

PAYMENT POLICY

It is group policy to comply with the terms of payment agreed with each supplier rather than to follow a particular code or standard. Where terms are not negotiated, we endeavour to adhere to the suppliers' standard terms. Trade creditors relate mainly to fixed assets purchased in the year, so no meaningful 'creditor's days' calculation is possible.

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

Katrina Cross
Secretary

DIRECTORS' REPORT

The directors present their annual report on the affairs of the group, together with the financial statements and auditor's report, for the year ended 31 December 2015.

At the General Meeting on 26 February 2016, shareholders agreed to change the name of the company from Triodos Renewables Plc to Thrive Renewables Plc and to buy back the "A" share held by Triodos Bank since the company was founded in 1994. Therefore, on 29 February 2016 the company officially changed its name to Thrive Renewables Plc.

Details of significant events since the balance sheet date are contained in note 32 to the financial statements. An indication of likely future developments in the business of the company and details of research and development activities are included in the strategic report.

Information about the use of financial instruments by the company and its subsidiaries is given in note 16 to the financial statements.

DIRECTORS

The current directors of the company are shown on page 1. All directors served throughout the financial year and to date, except as noted below:

Tania Songini (appointed 22 October 2015)
Ann Berresford (resigned 13 October 2015)
Triodos Corporate Officer Limited (resigned 29 February 2016)

As stated above, Ann Berresford retired from the Board on 13 October 2015. Our thanks go to Ann for her very significant contribution to the Company throughout her time on the Board. Tania Songini joined the Board on 22 October 2015, We welcome her to Thrive Renewables and look forward to working together.

The directors and their interests in the ordinary shares of the company at the beginning of the financial year and the end of the financial year were:

	50p ORDINARY SHARES FULLY PAID	
DIRECTORS	2015	2014
Ann Berresford	-	-
Matthew Clayton	687	600
Katie Gordon	-	-
Colin Morgan	4,384	-
Simon Roberts	522	514
Tania Songini	-	-
Peter Weston	2,631	2,631

Shareholders vote at our 2015 AGM in Bristol

DIVIDENDS

The recommended dividend for 2014 of 4p per share was paid in July 2015. Based on the profitability in the year, the directors recommend a dividend of 4p per share for payment in 2016.

We remain committed to paying annual dividends from the profits of the business (subject to maintaining appropriate financial reserves) and seeking further investment through share issues to fund the group's growth. This is consistent with our approach to date and endorsed by feedback from the shareholder survey conducted in 2013.

AUDITOR

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

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

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

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

Katrina Cross
Secretary

BOARD OF DIRECTORS, MANAGEMENT AND ADMINISTRATION

BOARD OF DIRECTORS

Simon Roberts OBE - Chair

Simon has spent more than 30 years helping people, organisations and policy-makers to change the way they think and act on energy. For the last 14 years he has been Chief Executive of the Centre for Sustainable Energy, one of the UK's leading energy charities, providing energy advice to the public, supporting communities to take action, and undertaking research and policy analysis for government. Prior to this, he was a senior manager at Triodos Bank (1998-2002) and Managing Director of Triodos Renewables (formerly The Wind Fund plc) until 2002. Simon is a specialist adviser to a wide range of government, industry and academic bodies, recently including Ofgem on low carbon network regulatory policy and the Department of Energy and Climate Change on opportunities emerging from smart energy data. He was a member of the Government's Renewables Advisory Board (2002-2010) where he led its work streams on finance and community engagement. Simon is a non-executive director of Bristol Energy Network CIC which brings together local community energy groups, and of Bristol Green Capital Partnership CIC, a cross-sector network of 800 organisations committed to creating a more sustainable Bristol. He was elected a Fellow of the Energy Institute in 2007 and was awarded an OBE for services to the renewables industry in the 2011 Queen's Birthday Honours.

Matthew Clayton – Managing Director

Matthew has worked in the Thrive Renewables team (formerly Triodos Renewables) since 2006 and undertakes the overall management of Thrive Renewables Plc (now as full time employee and previously under the management agreement with Triodos Bank). In this time Matthew has contributed to 12-fold growth in the Company. Prior to joining Triodos Bank, Matthew was part of a small team which established Camco International, one of the world's leading carbon trading companies, focusing on supporting sustainable energy projects via the Kyoto framework. Before this, Matthew worked in Risk Management for TXU's Energy Trading team.

Tania Songini – Non-Executive Director

Tania joined the Board on 22 October 2015. She is Director of Finance and Operations for International Rescue Committee UK, a charity supporting people uprooted by conflict or natural disaster to rebuild their lives through emergency relief, reconstruction, protection of human rights, and advocacy with policy makers. Prior to working for the International Rescue Committee, Tania worked for leading global engineering and technology services company Siemens, joining in 1997 as a commercial bid and project manager. Tania progressed to hold a number of Finance Director and Non-Executive Board Director roles at Siemens, including for Siemens Energy in the UK where she was also Controller for Siemens Energy North West Europe region. Tania is the Chair of ViaNinos UK, a charity she established in the UK in 2009 that supports projects helping street and working children in Ecuador.

Peter Weston – Non-Executive Director
Peter is an expert in power and renewables, with 20 years of experience as an investor, lender and strategic adviser. He is currently Investment Director of GVEP International, an organisation which supports entrepreneurs focused on off-grid energy in Sub Saharan Africa. He sits on the board of Renewable World, an NGO which alleviates poverty in developing countries through micro renewable projects. Peter is also a visiting lecturer at ESCP Business School. He was previously global head of finance and investment for two power equipment suppliers: Siemens Wind Power and MAN. He led the European energy lending team at GE Capital and was an executive director at Westdeutsche Landesbank. Peter has a BA in Economics and Politics from the University of Warwick.

Katie Gordon – Non-Executive Director
Katie is Director of Responsible Investment and Stewardship at CCLA, the largest UK fund manager for Socially Responsible Investment (SRI) (Extel 2015), where she is leading the public health engagement programmes. Prior to joining CCLA, Katie was head of SRI at Cazenove Capital Management for 12 years, where she initiated, led and developed the SRI offering across the entire investment process. Previous board positions include as a trustee of Durrell Wildlife Conservation Trust and as a board director of UK Sustainable Investment and Finance (UKSIF). Katie was a founder director of Swordfish, a brand strategy consultancy, and is currently the independent member of the Investment Committee of Durrell Wildlife Conservation Trust and a trustee of the Durrell Wildlife Conservation Trust UK board.

Colin Morgan – Non-Executive Director
Colin has worked in the renewable energy industry since 1987 and is a Chartered Mechanical Engineer. He is a founder of Everoze Partners, a specialist clean energy engineering consultancy, and previously worked for DNV GL (formerly Garrad Hassan) where he had profit and loss management responsibility for global regions and associated legal entity director roles. Through his career his technical work has included: wind turbine design and analysis; software development and support; research into wind farm wake effects; wind and energy resource assessment; technical due diligence of projects for lenders and investors; construction management; wind turbine inspection; and development of solar projects. He also built and led a multi-disciplinary team of consulting engineers in offshore wind projects and led the development of a policy and strategy advisory service in renewables. He has sat on various industry bodies including, in the past, the RenewableUK Offshore Wind Strategy Group, Offshore Wind Delivery Group, EU Thematic Platform Member, DTI Technology Programme Assessor and, recently, he chaired the RenewableUK Onshore Wind Cost Reduction Taskforce.

EXECUTIVE MANAGEMENT TEAM

During 2015 the day-to-day management of Thrive Renewables was carried out by Triodos Bank NV in accordance with a formal management agreement. The Executive Management team comprises:

Matthew Clayton – Managing Director
See above in the Board section

Katrina Cross - Finance Director and Company Secretary
Katrina joined Triodos Bank in 2012 as Head of Finance and Operations for Investment Management UK which provides the financial and administrative

support functions to Triodos Renewables and investment funds managed by the bank in the UK. In 2015 Katrina left Triodos to set up her own business but continues to provide Finance Director Services to Thrive Renewables. Katrina is a qualified accountant, trained with a general practice and Coopers & Lybrand tax division and spent seven years with Watts Gregory as head of audit with a wide range of clients including charities, SMEs and large private companies. Prior to joining Thrive Renewables, Katrina spent seven years as a Finance Director of an environmental company that remediated contaminated land. During this time Katrina steered the company to profitable sustained growth which resulted in the company being purchased by a Canadian public company looking to expand in the UK. Working for Thrive Renewables enables Katrina to work towards providing robust financial returns to investors whilst delivering strong social and environmental benefit.

We are delighted our shareholder events are well attended

Monika Paplaczyk – Senior Investment Manager

Monika is employed by Thrive Renewables plc and has been part of the Thrive Renewables team since 2007 (under the management agreement with Triodos Bank). In her role as Senior Investment Manager, Monika leads the originating, development, acquisition and construction of sustainable energy assets for Thrive Renewables. Monika also manages the commercial aspects of the portfolio, such as sourcing and negotiating power purchase arrangements. Before joining Triodos Bank Monika worked in Edinburgh for a consulting company where she was involved in preparing business plans and grant applications for community development, biomass and grain storage projects.

Adrian Warman – Operations Manager

Adrian joined Thrive Renewables (formerly Triodos Renewables) in 2012 as Operations Manager in response to the growing portfolio of generating sites around the country. The role of Operations Manager is to ensure contracts are in place and fulfilled to maintain our operating assets in line with legislation and industry standards, allowing them to run most efficiently and productively over time. Adrian has a degree in Geography, Certificate in Management Studies and applied experience of contractor management, health and safety, systems development, resource management and logistics. Prior to joining Thrive Renewables Adrian spent seven years at a senior level in the energy efficiency sector with a leading carbon reduction company focused on identifying and implementing appropriate energy-saving measures in the built environment.

DIRECTORS' RESPONSIBILITIES STATEMENT

THE DIRECTORS ARE RESPONSIBLE FOR PREPARING THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS IN ACCORDANCE WITH APPLICABLE LAW AND REGULATIONS.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group's financial statements in accordance with International Financial Reporting Standards IFRSs) as adopted by the European Union and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS101 "Reduced Disclosure Framework". 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 the group and of the profit or loss of the group for that period.

In preparing the parent company 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 UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THRIVE RENEWABLES PLC

(FORMERLY TRIODOS RENEWABLES PLC)

We have audited the financial statements of Thrive Renewables Plc for the year ended 31 December 2015 which comprise the Consolidated Profit and Loss Account, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Statement of Changes in Equity, the Consolidated Cash Flow Statement and the related notes 1 to 40. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Family fun day at Avonmouth wind farm

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2015 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters 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.

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 parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

CONSOLIDATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2015

	NOTE	2015	2014
	£	£	£
Turnover	5	15,157,793	12,433,110
Cost of sales		(7,217,081)	(5,863,600)
Gross Profit		7,940,712	6,569,510
Administrative expenses		(2,814,491)	(2,371,992)
Operating Profit	6	5,126,221	4,197,518
Share of associated company operating profit	7	135,650	99,462
Interest receivable and similar income		88,705	135,698
Interest payable and similar charges	9	(3,289,182)	(2,891,281)
Movement in fair value of derivative financial instruments		248,530	(1,637,125)
Profit/(Loss) on ordinary Activities Before Taxation		2,309,924	(95,728)
Tax on profit/(loss) on ordinary activities	10	85,445	(253,616)
Profit/(Loss) On Ordinary Activities After Taxation		2,395,369	(349,344)
Minority interests	22	(29,352)	(2,517)
Profit/(Loss) For the Financial year		2,366,017	(351,861)

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

The group has no comprehensive income or losses other than the profit/(loss) for the current and the prior financial year. Accordingly, no separate statement of total comprehensive income and expense has been presented.

CONSOLIDATED BALANCE SHEET

AT 31 DECEMBER 2015

	NOTE	2015 £	2014 £	2013 £
Fixed Assets				
Goodwill	12	3,534,747	3,534,747	3,221,068
Tangible assets	13	63,670,409	59,309,304	48,073,990
Other intangible assets	14	16,671,970	17,842,532	16,970,957
Investments – associates	15	1,987,272	1,992,964	2,028,567
Investments – loans	15	2,735,563	-	-
Derivative financial instruments	16	175,049	26,629	-
Deferred tax asset	20	311,894	361,600	28,849
		89,086,904	83,067,776	70,323,431
Current Assets				
Debtors	17	7,485,526	7,212,856	6,463,342
Investments		-	-	66,800
Cash at bank and in hand		8,229,120	8,071,733	10,690,600
		15,714,646	15,284,589	17,220,742
Current Liabilities				
Trade and other creditors	18	(4,841,611)	(4,513,986)	(5,162,998)
Current tax liabilities		(11,276)	-	(102,264)
Borrowings	19	(3,436,916)	(3,228,538)	(2,789,581)
		(8,289,803)	(7,742,524)	(8,054,843)
Net Current Assets		7,424,843	7,542,065	9,165,899
Total Assets Less Current Liabilities		96,511,747	90,609,841	79,489,330
Non-Current Liabilities				
Borrowings	19	(52,644,915)	(48,349,620)	(42,832,014)
Derivative financial instruments	16	(1,707,889)	(1,807,998)	(144,245)
Deferred tax liabilities	20	(6,467,458)	(6,639,133)	(5,716,170)
Net Assets		35,691,485	33,813,090	30,796,901
Capital and Reserves				
Called up share capital	21	10,770,830	10,401,101	10,009,434
Share premium account		22,855,797	21,538,533	20,282,720
Capital redemption reserve		14,210	14,210	14,210
Profit and loss account		653,798	(607,933)	527,929
Shareholders' Funds		34,294,635	31,345,911	30,834,293
Minority interests	22	1,396,850	2,467,179	(37,392)
Capital Employed		35,691,485	33,813,090	30,796,901

The financial statements of Thrive Renewables Plc, registered number 02978651, were approved by the Board of Directors and authorised for issue on 18th May 2016

Signed on behalf of the Board of Directors

Matthew Clayton
Director

Simon Roberts
Director

CONSOLIDATED STATEMENT

OF CHANGES IN EQUITY

	CALLED UP SHARE CAPITAL £	SHARE PREMIUM ACCOUNT £	CAPITAL REDEMPTION RESERVE £	PROFIT AND LOSS ACCOUNT £	TOTAL £
At 1 January 2014	10,009,434	20,282,720	14,210	527,929	30,834,293
Loss for the financial year	-	-	-	(351,861)	(351,861)
Minority interest	-	-	-	375,102	375,102
Acquisition of non-controlling interest	-	-	-	(358,348)	(358,348)
Shares issued (net of issue costs and redemption costs)	391,667	1,255,813	-	-	1,647,480
Dividends	-	-	-	(800,755)	(800,755)
At 31 December 2014	10,401,101	21,538,533	14,210	(607,933)	31,345,911
Profit for the financial year	-	-	-	2,366,017	2,366,017
Shares issued (net of issue costs and redemption costs)	369,729	1,317,264	-	-	1,686,993
Dividends	-	-	-	(871,525)	(871,525)
Acquisition of non-controlling interest	-	-	-	(232,761)	(232,761)
At 31 December 2015	10,770,830	22,855,797	14,210	653,798	34,294,635

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2015

	NOTE	2015 £	2014 £
Net cash from operating activities	24	6,948,089	4,236,093
Investing activities			
Interest received		88,705	135,698
Purchases of tangible and intangible fixed assets		(8,130,543)	(11,117,265)
Acquisitions		(1,332,442)	(2,743,476)
New loan investment		(2,735,563)	-
Decrease in current asset investment		-	66,800
Net cash used in investing activities		(12,109,843)	(13,658,243)
Financing			
New share capital		2,338,848	1,952,790
Share capital bought back		(590,230)	(162,180)
Share issue costs		(61,625)	(143,130)
New bank loans raised		7,732,211	8,746,173
Equity dividends paid		(871,525)	(800,760)
Repayment of borrowings		(3,228,538)	(2,789,610)
Net cash inflow from financing		5,319,141	6,803,283
Net increase/(decrease) in cash and cash equivalents	25 & 26	157,387	(2,618,867)
Cash and cash equivalents at beginning of year		8,071,733	10,690,600
Cash and cash equivalents at end of year		8,229,120	8,071,733

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

1. GENERAL INFORMATION

Thrive Renewables plc is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The principal activities of the company and its subsidiaries (the group) and the nature of the group's operations are set out in the strategic report on pages 3 to 15.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the group operates.

2. ADOPTION OF NEW AND REVISED STANDARDS

New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the group has not applied the following new and revised IFRSs that have been issued but are not yet effective and (in some cases) had not yet been adopted by the EU.

Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
IFRS 16	Leases
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to IAS 1	Disclosure Initiative
Annual Improvements to IFRSs: 2012-2014 Cycle	Amendments to IFRS 5, IFRS 7 and IAS 19
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IAS 27	Equity Method in Separate Financial Statements
IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations

The majority of these changes are not expected to have a material impact on the future results of the group, with the exception IAS 16 Leases and IFRS 9 Financial Instruments, which the board will consider ahead of their implementation in 2019 and 2018, respectively.

3. SIGNIFICANT ACCOUNTING POLICIES

The particular accounting policies adopted, which have been applied consistently throughout the current and the prior financial year, are described below.

Basis of accounting

In the year ended 31 December 2015 the group changed its accounting framework from UK GAAP to International Financial Reporting Standards (IFRSs) as adopted by the European Union. The prior year financial statements were re-stated for material adjustments on adoption of IFRSs in the current year. For further information see note 33.

The financial statements are prepared under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as value in use in IAS 36 Impairment.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The company considers all relevant facts and circumstances in assessing whether or not the company's voting rights in an investee are sufficient to give it power, including:

- the size of the company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the date the company gains control until the date when the company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the company.

When the group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 Financial Instruments: Recognition and Measurement, when applicable, the costs on initial recognition of an investment in an associate or a joint venture.

Going concern

The financial statements adopt the going concern basis on the grounds that the directors believe the group and company have adequate resources to continue in operational existence for the foreseeable future. Further details are included in the Strategic Report.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the group, liabilities incurred by the group to the former owners of the acquiree and the equity interest issued by the group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the group in a business combination include an asset or liability resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified.

Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is re-measured at subsequent reporting dates at fair value with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the group's previously held interest in the acquired entity is re-measured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The group's policy for goodwill arising on the acquisition of an associate is described below.

Associates

An associate is an entity over which the group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the group's share of the profit or loss and other comprehensive income of the associate. When the group's share of losses of an associate exceeds the group's interest in that associate (which includes any long-term interests that, in substance, form part of the group's net investment in the associate), the group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount; any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the group retains an interest in the former associate and the retained interest is a financial asset, the group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When the group reduces its ownership interest in an associate but the group continues to use the equity method, the group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the group, profits and losses resulting from the transactions with the associate are recognised in the group's consolidated financial statements only to the extent of interests in the associate that are not related to the group.

Revenue recognition

Turnover, which is stated net of value added tax, comprises charges to and accrued income from customers in relation to the group's principal activities in the UK. Turnover from the supply of energy is recognised upon delivery. Turnover derived from government-administered incentive schemes for renewable energy generation is estimated and accrued based on the terms of the schemes.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

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

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Operating profit

Operating profit is stated as profit from operations, but before investment income and finance costs.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Pension costs

The group operates a defined contribution pension scheme for all qualified employees, the assets of which are held in individually administered funds. Pension costs are charged to the profit and loss account as incurred.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised only to the extent that the directors consider that it is probable that there will be suitable taxable profits against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any impairment loss. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset on a straight-line basis, as follows:

Leasehold property	over 25 years
Plant and machinery	over 20 years

Assets under construction are not depreciated.

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Current asset investments

Current asset investments represent cash held on deposit or short-term loans.

Investments

Investments held as fixed assets are stated at cost less any provision for impairment.

Intangible fixed assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses. Amortisation is provided on cost in equal annual instalments over the estimated lives of the assets. The rates of amortisation are as follows:

Power purchase agreements	5% per annum

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. The rates of amortisation are as follows:

Development rights	5% per annum

Internally generated intangible assets – development expenditure

Development expenditure representing prospective renewable energy projects is written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is deferred and amortised over the period during which the group is expected to benefit. Provision is made for any impairment.

Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the group reviews the carrying amounts of its tangible and intangible assets 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 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 group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into financial assets 'at fair value through profit and loss' ('FVTPL'), 'held-to-maturity' investments, available-for-sale financial assets, or loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the group manages together and has a recent actual pattern of short-term profit-taking; or

it is a derivative that is not designated and effective as a hedging instrument

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the profit and loss account.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flow of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the profit and loss account.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derivative financial instruments

The group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts, interest rate swaps and cross-currency swaps.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately. The group does not enter into any hedge accounting for effective hedge relationships.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised within 12 months. Other derivatives are presented as current assets or liabilities.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 3 above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Impairment of goodwill and intangible assets

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a pre tax discount rate of 10% in order to calculate present value. Forecast wind volumes are based on wind studies carried out at the commencement of each project, adjusted for experience as necessary. Electricity prices are determined with reference to externally sourced forward price curves, on contracted rates as appropriate. Forecasts cover the expected life of each project. The carrying amount of goodwill at the balance sheet date was £3.5 million; there is no evidence of impairment.

Fair value measurements and valuation processes

Some of the group's assets and liabilities are measured at fair value for financial reporting purposes. The board of directors determines the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the group engages counterparties or third party qualified valuers to perform the valuation.

5. SEGMENTAL ANALYSIS

The directors consider that there is only one class of business provided within the UK and hence segmental information is not provided. The total turnover of the group for the financial year has been derived from its principal activity, being the supply of energy from renewable sources.

6. OPERATING PROFIT

	2015 £	2014 £
Operating Profit		
Operating profit is stated after charging:		
Auditor's remuneration:		
- audit of the parent company accounts	13,070	12,689
- audit of subsidiary accounts	55,667	53,002
- tax and other services	85,397	45,200
Depreciation	3,859,217	3,038,738
Amortisation	1,222,127	1,107,487
Amortisation of goodwill in associates	98,887	97,804
Foreign exchange losses	15,930	63,685
Operating leases – other	448,927	339,925

7. SHARE OF ASSOCIATED COMPANY OPERATING PROFIT

	2015 £	2014 £
Share of associate's operating profit	234,537	197,266
Amortisation of goodwill	(98,887)	(97,804)
	135,650	99,462

All results from the group's associates arose from continuing operations.

8. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

GROUP AND COMPANY	2015 £	2014 £
The remuneration of directors was as follows:		
Directors' emoluments	50,268	47,435

Executive directors were remunerated by Triodos Bank under the 'Provision of Fund Management Services Agreement' (see note 29). No pension contributions were paid on behalf of the directors in either year.

Co-worker costs were as follows:

	2015 £	2014 £
Wages and salaries	49,575	47,783
Social security costs	5,727	5,505
Other pension costs	4,832	4,639
	60,134	57,927

During 2015 the average number of co workers employed was one (2014: one). Under the terms of the 'Provision of Fund Management Services Agreement', Triodos Bank is responsible for the management and the administrative running of the group.

9. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Bank loans	2,661,071	2,255,795
Other loans	525,000	519,070
Share of associate's interest payable	103,111	116,416
	3,289,182	2,891,281

10. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	2015 £	2014 £
Current taxation		
United Kingdom corporation tax:		
Current tax on income for the year at 20.9% (2014: 21.5%)	-	1,518
Adjustment in respect of previous years	(3,777)	(24,424)
Share of associate's tax (credit)/charge	-	(12)
	(3,777)	(22,918)
Deferred taxation		
Origination and reversal of timing differences	560,194	322,187
Adjustments in respect of previous years	19,844	(3,976)
Effect of decreased tax rate	(661,706)	(41,677)
	(81,668)	276,534
Tax on profit/(loss) on ordinary activities	(85,445)	253,616

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

	2015 £	2014 £
Profit/(loss) on ordinary activities before tax	2,309,924	(95,728)
Profit/(loss) on ordinary activities at average standard rate of corporation tax in the UK of 20.9% (2014: 21.5%)	483,323	(20,582)
Effects of:		
Expenses not deductible for tax purposes	117,577	344,275
Adjustment in respect of previous years	16,067	(28,400)
Effect of small companies' rate	-	(41,677)
Effect of future reduction in tax rate	(661,706)	-
Tax in respect of associate/minority interest	(42,369)	-
Deferred tax not recognised	1,663	-
	(85,445)	253,616

The standard rate of corporation tax reduced from 21% to 20% on 1 April 2015. The blended rate for the accounting year is 20.9% being a mix of 21% up to 31 March 2015 and 20% from 1 April 2015 (2014: 21.5%, being a mix of 23% up to 31 March 2014 and 21% from 1April 2014).

The forthcoming changes in the corporation tax rate to 18% by 2020 have been taken into account in calculating the deferred tax position of the Group and this can be seen above.

11. DIVIDENDS

	2015 £	2014 £
Amounts recognised as distributions to equity holders in the period:		
Final dividend for the year ended 31 December 2015 of 4p (2014: 4p) per share	871,525	800,755

12. GOODWILL

	2015 £	2014 £
Cost		
Opening balance at 1 January 2014		3,221,068
Additions		313,679
Balance at 31 December 2014		3,534,747
Additions		-
Balance at 31 December 2015		3,534,747
Accumulated impairment losses		
At 1 January 2014, 31 December 2014 and 31 December 2015		-
Net book value		
At 31 December 2015		3,534,747
At 31 December 2014		3,534,747
At 31 December 2013		3,221,068

13. TANGIBLE FIXED ASSETS

GROUP	LAND AND BUILDINGS £	PLANT AND MACHINERY £	ASSETS UNDER CONSTRUCTION £	TOTAL £
Cost				
At 1 January 2014	325,000	60,131,611	-	60,456,611
Additions	-	4,377,309	9,896,743	14,274,052
At 31 December 2014	325,000	64,508,920	9,896,743	74,730,663
Additions	-	8,220,322	-	8,220,322
Transferred	-	9,896,743	(9,896,743)	-
At 31 December 2015	325,000	82,625,985	-	82,950,985
Accumulated depreciation				
At 1 January 2014	211,167	12,171,454	-	12,382,621
Charge for the year	15,500	3,023,238	-	3,038,738
At 31 December 2014	226,667	15,194,692	-	15,421,359
Charge for the year	15,500	3,843,717	-	3,859,217
At 31 December 2015	242,167	19,038,409	-	19,280,576
Net book value				
At 31 December 2015	82,833	63,587,576	-	63,670,409
At 31 December 2014	98,333	49,314,228	9,896,743	59,309,304
At 31 December 2013	113,833	47,960,157	-	48,073,990

Cumulative finance costs of £1,624,707 (2014 - £1,437,863 and 2013 - £642,914) have been included in the cost of tangible fixed assets.

14. OTHER INTANGIBLE ASSETS

GROUP	DEVELOPMENT COSTS £	POWER PURCHASE AGREEMENT £	TOTAL £
Cost			
At 1 January 2014	23,165,893	279,975	23,445,868
Additions	2,692,840	-	2,692,840
Transferred	(713,778)	-	(713,778)
At 31 December 2014	25,144,955	279,975	25,424,930
Additions	51,565	-	51,565
At 31 December 2015	25,196,520	279,975	25,476,495
Accumulated depreciation			
At 1 January 2014	6,342,055	132,856	6,474,911
Charge for the year	1,093,488	13,999	1,107,487
At 31 December 2014	7,435,543	146,855	7,582,398
Charge for the year	1,208,128	13,999	1,222,127
At 31 December 2015	8,643,671	160,854	8,804,525
Net book value			
At 31 December 2015	16,552,849	119,121	16,671,970
At 31 December 2014	17,709,412	133,120	17,842,532
At 31 December 2013	16,823,838	147,119	16,970,957

15. INVESTMENTS

INVESTMENT IN ASSOCIATES –GROUP	£
Share of net assets	
At 1 January 2014	609,261
Share of operating profit	197,266
Share of interest receivable	835
Share of interest payable	(116,416)
Share of tax payable	12
At 31 December 2014	690,958
Share of operating profit	234,537
Share of interest receivable	577
Share of interest payable	(103,111)
Share of tax payable	(38,808)
At 31 December 2015	784,153
Goodwill	
At 1 January 2014	1,419,306
Disposals	(19,496)
Amortisation of goodwill	(97,804)
At 31 December 2014	1,302,006
Disposals	-
Amortisation of goodwill	(98,887)
At 31 December 2015	1,203,119
Net book value at 31 December 2015	**1,987,272**
Net book value at 31 December 2014	1,992,964
Net book value at 31 December 2013	2,028,567

INVESTMENTS – OTHER LOANS	2015 £	2014 £	2013 £
Group and Company			
Loans to third party wind farm developers	2,735,563	-	-

In November 2015, the company agreed a £2.7m mezzanine finance facility with Renewable Energy Ventures (Gevens) Limited (REVG). REVG has successfully secured all the required rights and permits to build a 6.9MW wind farm in Fife, Scotland. Thrive Renewables has provided the capital to plug the funding gap. The project reached financial close in December of 2015, and is now in the construction phase, with commissioning due in autumn 2016.

Further information about associates and subsidiaries, including disclosures about non-controlling interests, is provided in note 36 to the company financial statements.

16. DERIVATIVE FINANCIAL INSTRUMENTS

	2015 £	2014 £	2013 £
Financial assets carried at fair value through profit or loss (FVTPL)			
Held for trading derivatives that are not designated in hedge accounting relationships	175,049	26,629	-
Financial liabilities carried at fair value through profit or loss (FVTPL)			
Held for trading derivatives that are not designated in hedge accounting relationships	(1,707,889)	(1,807,998)	(144,245)

Further details of derivative financial instruments are provided in note 23.

17. DEBTORS

	2015 £	2014 £	2013 £
Trade debtors	168,062	284,521	306,956
Corporation tax	-	10,361	-
Other debtors	-	267	266
Prepayments and accrued income	7,317,464	6,501,477	5,290,456
Taxation and social security	-	416,230	865,664
	7,485,526	7,212,856	6,463,342

Trade receivables

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

The average credit period taken on sales of goods is 30 days. No interest is charged on the receivables for the first 30 days from the date of the invoice. Thereafter, interest is charged at an 8% per cent on the outstanding balance. The Group has not recognised an allowance for doubtful debts as no debts are past 120 days due and historical experience has been that receivables that are past due beyond 120 days are not recoverable. Allowances against doubtful debts are recognised against trade receivables between 30 days and 120 days based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the reporting date but against which the Group has not recognised an allowance for doubtful receivables because there has not been a significant change in credit quality and the amounts (which include interest accrued after the receivable is over 30 days outstanding) are still considered recoverable. The average age of these receivables is 20 days (2014: 25 days).

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £	2013 £
Trade creditors	489,730	1,228,372	1,965,573
Other creditors	23,766	22,792	22,791
Accruals and deferred income	4,103,784	3,255,824	3,167,631
Value added tax	217,333	-	-
Dividends payable	6,998	6,998	7,003
	4,841,611	4,513,986	5,162,998

Pension contributions owing at the year-end amounted to £1,127 (2014: £nil and 2013: £527).

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days. For most suppliers no interest is charged on the trade payables for the first 60 days from the date of the invoice. Thereafter, interest is charged on the outstanding balances at various interest rates. The group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The directors consider that the carrying amount of trade payables approximates to their fair value.

In determining the recoverability of a trade receivable the group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

19. BORROWINGS

	2015 £	2014 £	2013 £
Bank loans and overdrafts			
Amounts payable			
- due within one year	3,436,916	3,228,538	2,789,581
- due after more than one year	45,644,915	41,349,620	35,832,014
	49,081,831	44,578,158	38,621,595
Other loans			
Amounts payable			
- due after more than one year	7,000,000	7,000,000	7,000,000
Analysis of loan repayments			
Bank loans and overdrafts			
- within one year	3,436,916	3,228,538	2,789,581
- within one to two years	3,914,250	3,559,702	3,062,706
- within two to five years	27,877,125	19,775,770	16,958,179
- after five years	20,853,540	25,014,148	22,811,129
	56,081,831	51,578,158	45,621,595
Company			
	2015	2014	2013
	£	£	£
Bank loans and overdrafts			
Amounts payable			
- due within one year	111,305	104,059	97,245
- due after more than one year	246,398	357,703	461,802
	357,703	461,762	559,047
Other loans			
Amounts payable			
- due after more than one year	2,000,000	2,000,000	2,000,000
Analysis of loan repayments			
Bank loans and overdrafts			
- within one year	111,305	104,059	97,245
- within one to two years	119,054	111,305	104,059
- within two to five years	2,127,344	2,246,398	2,357,743
	2,357,703	2,461,762	2,559,047

Group bank loan fees of £763,350 are amortised over seven years, being the term of the associated loan. As at 31 December 2015 there are bank fees of £597,862 (2014 - £457,907) offset against group bank loans.

At 31 December 2015, group bank loans total £49,081,831.

Amounts totalling £1,048,690 held with Triodos Bank bear interest at a variable rate, currently 3.50%.

Amounts totalling £24,183,894 held with Triodos Bank bear interest at a weighted average fixed rate of 5.79%. Of this amount, £9,565,344 is repayable after five years. This amount bears interest at a weighted average fixed rate of 5.6%.

Amounts totalling £24,897,937 held with Santander Bank bear interest at a weighted average fixed rate of 6.17%. Of this amount, £11,288,196 is repayable after five years. This amount bears interest at a weighted average fixed rate of 6.28%. The fixed rate of interest is achieved by the purchase of financial instruments (interest rate swaps) which are now shown as a liability on the balance sheet of the Group – see note 16. The liabilities recognised at the year-end on interest rate swaps amount to £1,707,889. The recognition of this liability is in effect the advance charge of interest over the life of the swaps (seven-year terms) and would therefore reduce the interest charged in each year on these loans to 3.25% (the bank interest rate).

Bank loans are secured by first fixed and floating charges on the fixed assets of the subsidiary companies. The maximum term of any loan currently outstanding expires in 2028.

Other loans represent mezzanine loan finance which bears interest at a fixed rate of 7.5%.

20. DEFERRED TAX LIABILITIES

GROUP	£
Deferred taxation	
Balance at 1 January 2014	5,687,321
Charge to profit and loss account	276,534
Development costs subsumed from goodwill	313,678
Balance at 31 December 2014	6,277,533
Credit to profit and loss account	(81,668)
Adjustment in respect of previous years	(40,301)
Balance at 31 December 2015	6,155,564

	2015 £	2014 £	2013 £
The amounts of deferred taxation provided in the accounts are as follows:			
Accelerated capital allowances	3,605,354	3,231,257	2,685,750
Tax losses carried forward	(128,803)	(117,495)	(167,124)
Deferred tax on derivatives	(275,911)	(356,274)	(28,849)
Short-term timing differences	(17,322)	(21,386)	(23,524)
Deferred tax on development costs	2,972,236	3,534,746	3,221,068
Adjustments in respect of previous periods	10	6,685	-
	6,155,564	6,277,533	5,687,321

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2015 £	2014 £	2013 £
Deferred tax assets	311,894	361,600	28,849
Deferred tax liabilities	(6,467,458)	(6,639,133)	(5,716,170)
	(6,155,564)	(6,277,533)	(5,687,321)

21. CALLED UP SHARE CAPITAL

	2015 NO.	2015 £	2014 NO.	2014 £
Allotted, called up and fully paid				
Ordinary shares of £0.50 each	21,541,656	10,770,828	20,802,197	10,401,099
'A' ordinary shares of £2 each	1	2	1	2
	21,541,657	10,770,830	20,802,198	10,401,101

In February 2015, the company issued 724,921 new shares of £0.50 each at a premium of £1.78 each, raising new capital of £1.65 million, and in April 2015 the company issued 275,000 new shares of £0.50 each at a premium of £1.78 each, raising new capital of £627,000.

In July 2015 the company bought back 287,917 shares of 50p each at a premium of £1.55 per share.

The company now offers a SCRIP scheme whereby shareholders can receive new shares instead of cash dividends. The company issued 27,455 new 50p shares at a premium of £1.65 per share under this scheme.

Rights attached to shares

The 'A' ordinary share has the right:

- to prevent the passing of any special resolution, any extraordinary resolution, any resolution where special notice is required, or any resolution required to be forwarded to the Registrar of Companies in accordance with the Companies Act, being given such number of votes as necessary to stop such a resolution;
- to appoint or remove a director by being given such number of votes as necessary to pass such a resolution; and
- in all other cases, such numbers of votes as represent 10% of the entire voting rights of the company.

22. MINORITY INTERESTS

	2015 £	2014 £
At 1 January	2,467,179	(37,392)
Minority interest bought out on acquisition of Thrive Renewables (Buchan)	(3,157)	34,875
Minority share of profit/loss on ordinary activities after taxation	29,352	(372,585)
Minority interest arising on acquisition of Boardinghouse	(1,096,524)	2,842,281
At 31 December	1,396,850	2,467,179

23. FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that entities in the group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. The group's overall strategy remains unchanged from 2014.

The capital structure of the group consists of net debt (borrowings disclosed in note 19 after deducting cash and bank balances) and equity of the Group (comprising issued capital, reserves, retained earnings and non-controlling interests as disclosed in notes 21 to 22). The Group is not subject to any externally imposed capital requirements.

The Group's risk management committee reviews the capital structure on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Group has a target gearing ratio of 130% to140% determined as the proportion of net debt to fixed equity. The gearing ratio at 31 December 2015 of 134% (see below) was within the target range.

Gearing ratio

The gearing ratio at the year-end is as follows:

	2015 £	2014 £
Debt	55,906,782	51,578,158
Cash and cash equivalents	(8,229,120)	(8,071,733)
Net Debt	47,677,662	43,506,425
Equity	35,691,485	33,813,090
Net debt to equity ratio	134%	129%

Debt is defined as long and short-term borrowings (excluding derivatives and financial guarantee contracts) as detailed in note 19. Equity includes all capital and reserves of the group that are managed as capital.

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 3.

Categories of financial instruments

	2015 £	2014 £
Financial assets		
Cash and bank balances	8,229,120	8,071,733
Fair value through profit and loss (FVTPL)	175,049	26,629
Amortised cost		
Receivables	7,485,527	7,212,856
Loans	2,735,563	-
Financial liabilities		
Fair value through profit and loss (FVTPL)	(1,707,889)	(1,807,998)
Amortised cost		
Payables	(4,841,611)	(4,513,986)
Borrowings	(56,081,831)	(51,578,158)

Financial risk management objectives

The group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the group through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The group seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates (see below). The group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign currency risk, including:

- forward foreign exchange contracts to hedge the exchange rate risk arising on the purchase of assets stated in foreign currencies and;
- interest rate swaps to mitigate the risk of rising interest rates.

Market risk exposures are measured using value-at-risk (VaR) analysis supplemented by sensitivity analysis. There has been no change to the group's exposure to market risks or the manner in which these risks are managed and measured.

24. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	5,126,221	4,197,518
Increase in debtors	(272,670)	(646,799)
Increase/(decrease) in creditors	327,625	(649,012)
Depreciation and amortisation	5,081,344	4,146,225
Cash generated from operations	10,262,520	7,047,932
Interest paid	(3,289,182)	(2,891,281)
Taxation (paid)/received	(25,249)	79,442
Net cash inflow from operating activities	6,948,089	4,236,093

25. ANALYSIS OF NET DEBT

	AT 1 JANUARY 2015 £	CASH FLOW £	OTHER NON CASH CHANGES £	AT 31 DECEMBER 2015 £
Cash at bank and in hand	8,071,733	157,387	-	8,229,120
Bank loans and other loans falling due within one year	(3,228,538)	3,228,538	(3,436,916)	(3,436,916)
Bank and other loans falling due after more than one year	(48,349,620)	(7,732,211)	3,436,916	(52,644,915)
Net debt	(43,506,425)	(4,346,286)	-	(47,852,711)

26. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2015 £	2014 £
Decrease in current asset investment	-	(66,800)
Increase/(decrease) in cash at bank in the year	157,387	(2,618,867)
Increase in debt	(4,503,673)	(5,956,563)
Change in net debt resulting from cash flows	(4,346,286)	(8,642,230)
Bank fees	-	-
Net debt at 1 January	(43,506,425)	(34,864,195)
Net debt at 31 December	(47,852,711)	(43,506,425)

27. CAPITAL COMMITMENTS

	2015 £	2014 £
At 31 December, the group was committed to the following capital expenditure	83,828	5,797,508

28. OPERATING LEASE COMMITMENTS

	2015 £	2014 £
Lease payments under operating leases recognised as an expense in the year	447,927	339,925
At the balance sheet date, the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:		
Within one year	289,030	263,593
In the second to fifth years inclusive	1,125,988	1,151,425
After more than five years	4,137,919	4,426,949

Operating lease payments represent rentals payable by the group for certain of its operational sites. Leases are negotiated for at least a term of 20 years in line with the operational life of the site.

29. RELATED PARTY TRANSACTIONS

Under the terms of the 'Agreement for the Provision of Management Services' Triodos Bank is responsible for the management and the administrative running of the company. During the year, Triodos Bank received fees of £924,277 for this service (2014: £723,622). This amount is included in creditors at the year-end.

The group's borrowings with Triodos Bank are disclosed in note 19.

30. CONTINGENT LIABILITIES

By an agreement dated 24 July 2006, the company agreed to acquire the entire issued share capital of Hainsford Group Limited (now Thrive Renewables (HGL) Limited). Under the terms of this agreement, additional deferred consideration may become due and payable based on operating performance and prevailing market electricity pricing. Any additional consideration payable is calculated in accordance with the agreement. For the period when the additional consideration is payable, the company is under an obligation to conduct the business within certain parameters as set out in the agreement. Should the company wish to act otherwise than in accordance with the agreed parameters, the company may be obliged to make a buy out payment to the sellers as determined in accordance with the agreement.

HSBC Bank has issued a performance bond in the sum of £48,000 in relation to certain undertakings given by the group company Thrive Renewables (Caton Moor) Limited in respect of planning obligations at its wind farm site. The maximum contingent liability of the company is equal to the bond.

31. CONTROLLING INTEREST

Through its holding of the 'A' ordinary share, the directors consider Stichting Triodos Holding to be the company's controlling party for the year ended 31 December 2015. Stichting Triodos Holding is registered in the Netherlands and its registered office is Nieuweroordweg 1, 3704 EC Zeist, PO Box 55, 3700 AB Zeist, The Netherlands.

32. POST BALANCE SHEET EVENTS

Further to an agreement between the company and Triodos Bank, on 29 February 2016 the company bought back the A share from Stichting Triodos Holding for £2.28 and this share was subsequently cancelled. As part of this transaction the company name was changed to Thrive Renewables Plc (formerly Triodos Renewables Plc) and the management agreement between the company and Triodos Bank NV was terminated.

In May 2016 we have launched a bond on Thrive Renewables (Buchan) Limited (which owns 100% of the Auchtygills and Clayfords sites in Scotland). This is our first bond and will include a period of exclusivity to shareholders of the group and the local community surrounding the Auchtygills and Clayford sites.

33. EXPLANATION OF TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

This is the first year that the company and the group has presented its financial statements under International Financial Reporting Standards (IFRSs) as adopted by the European Union. The following disclosures are required in the year of transition. The last financial statements under a previous GAAP (UK GAAP) were for the year ended 31 December 2014 and the date of transition to IFRSs was therefore 1 January 2014 (being the opening position for the 31 December 2014 accounts).

GROUP	1 JANUARY 2014 £	31 DECEMBER 2014 £
Reconciliation of equity		
Equity reported under UK GAAP	31,395,483	34,806,077
Adjustments to equity on transition to IFRSs		
Reversal of deferred tax discounting (note i)	(483,186)	(369,010)
Recognition of derivatives on the balance sheet (note ii)	(144,245)	(1,781,370)
Recognition of deferred tax on derivatives (note iii)	28,849	356,274
Derecognition of goodwill on stepped acquisition (note iv)	-	(358,348)
Recognition of development costs subsumed in goodwill (note v)	-	-
Recognition of development costs and increased minority interest in Boardinghouse acquisition (note vi)	-	1,281,272
Write-off legal fees on Boardinghouse acquisition (note vi)	-	(121,805)
Equity reported under IFRSs	30,796,901	33,813,090

RECONCILIATION OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014	£
Total comprehensive income for the financial year under UK GAAP	965,468
Adjustments to total comprehensive income on transition to IFRSs	
Reversal of deferred tax discounting (note i)	114,176
Movement in fair value of derivatives (note ii)	(1,637,125)
Movement in deferred tax on derivatives (note iii)	327,425
Write-off of legal expenses on acquisition (note vi)	(121,805)
Total comprehensive income for the financial year under IFRSs	(351,861)

Notes to the reconciliations

(i) Under UK GAAP FRS 19 the company discounted its deferred tax liability to take into account the time value of money. Discounting of deferred tax liabilities is not allowable under IAS 12 and hence the discount on the deferred tax liability recognised at 1 January 2014 and 31 December 2014, together with the charge in the profit and loss account from the unwind of the discount in the year ended 31 December 2014 was reversed.

(ii) Under IAS 39 derivatives must be recognised on the balance sheet at their fair value, where previously, under UK GAAP, they had not been recognised. Prior to 1 January 2014 the group entered into RPI swaps and interest rate swaps giving rise to a liability of £144,245 at transition. At 31 December 2014 the fair value of the group's financial instruments was a liability of £1,807,998 and an asset of £26,629. The fair value movement in derivative financial instruments of £1,637,125 has been recognised as other gains and losses in the comprehensive income for the year ended 31 December 2014.

(iii) The recognition of the RPI swap and interest rate swap on the balance sheet gives rise to deferred tax calculated at a future tax rate of 20%. Deferred tax assets and liabilities have not been netted off on the balance sheet. As at 1 January 2014 a deferred tax asset of £28,849 was recognised. At 31 December 2014 the recognition of the derivatives gave rise to a deferred tax asset of £361,600 and an additional liability of £5,326. The movement on deferred tax resulted in a decrease in tax charge of £327,425 in the year ended 31 December 2014.

(iv) Under IFRS 10, a change in a parent's ownership interest in a subsidiary, without any change in control, is recognised as an equity transaction. Previously, under UK GAAP, the increase in ownership of Triodos Mellinsus Projects Limited (now Thrive (Buchan) Limited) from a 60% to 100% subsidiary was treated as an acquisition and goodwill of £358,348 was recognised. Under IFRS10, this amount is a transaction with the minority interest through equity and the amount is recorded directly as a debit to reserves in the period ended 31 December 2014. As no gain or loss is made the movement impacts only on reserves and not on the total comprehensive income.

(v) Applying IFRS 3 business combinations to the acquisitions made by the group has led to a reconsideration of the fair value of assets acquired and led to a number of changes that have no net impact on net assets at transition on 1 January 2014. Under UK GAAP, surplus purchase consideration was attributed to goodwill and amortised over twenty years. Under IFRS, we have determined that each acquisition of a business which is ready to construct and operate effectively has an intangible asset for the development rights for that site and, accordingly, goodwill of £16,105,340 has been reclassified as intangible assets at 1 January 2014 (31 December 2014 - £17,673,735). A matching deferred tax liability of £3,221,068 was established at 1 January 2014 in respect of this intangible and, as a result, a balance of £3,221,068 remains in goodwill.

(vi) The impact of IFRS 3 on the acquisition of 55% of Boardinghouse Wind Farm Limited in February 2014 has been to recognise an intangible asset for development rights of £2,692,840 instead of goodwill. Accordingly, the minority interest at 31 December 2014 has increased by £1,281,272. Deal costs of £121,805 have also been expensed rather than capitalised.

COMPANY BALANCE SHEET

AT 31 DECEMBER 2015

	NOTE	2015 £	2014 £
FIXED ASSETS			
Investments	37	19,160,857	17,931,849
Investments – loans	15	2,735,563	-
		21,896,420	17,931,849
CURRENT ASSETS			
Debtors	37	25,088,181	22,630,928
Cash at bank and in hand		817,088	2,927,021
		25,905,269	25,557,949
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	38	(8,322,475)	(8,099,037)
NET CURRENT ASSETS		17,582,794	17,458,912
TOTAL ASSETS LESS CURRENT LIABILITIES		39,479,214	35,390,761
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	39	(2,246,398)	(2,357,703)
NET ASSETS		37,232,816	33,033,058
CAPITAL AND RESERVES			
Called up share capital	21	10,770,830	10,401,101
Share premium account		22,855,797	21,538,533
Capital redemption reserve		14,210	14,210
Profit and loss account		3,591,979	1,079,214
SHAREHOLDERS' FUNDS	23	37,232,816	33,033,058

The financial statements of Thrive Renewables Plc, registered number 02978651, were approved by the Board of Directors and authorised for issue on 18th May 2016

Signed on behalf of the Board of Directors

Matthew Clayton
Director

Simon Roberts
Director

COMPANY STATEMENT OF CHANGES IN EQUITY

AT 31 DECEMBER 2015

	CALLED UP SHARE CAPITAL £	SHARE PREMIUM ACCOUNT £	CAPITAL REDEMPTION RESERVE £	PROFIT AND LOSS ACCOUNT £	TOTAL £
At 1 January 2014	10,009,434	20,282,720	14,210	(17,211)	30,289,153
Shares issued (net of issue costs and redemption costs)	391,667	1,255,813	-	-	1,647,480
Total comprehensive income for the financial year	-	-	-	1,897,180	1,897,180
Dividend	-	-	-	(800,755)	(800,755)
At 31 December 2014	10,401,101	21,538,533	14,210	1,079,214	33,033,058
Shares issued (net of issue costs and redemption costs)	369,729	1,317,264	-	-	1,686,993
Total comprehensive income for the financial year	-	-	-	3,384,290	3,384,290
Dividend	-	-	-	(871,525)	(871,525)
At 31 December 2015	10,770,830	22,855,797	14,210	3,591,979	37,232,816

NOTES TO THE COMPANY FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

34. SIGNIFICANT ACCOUNTING POLICIES

The separate financial statements of the company are presented as required by the Companies Act 2006. The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2015 the company has changed its accounting framework from Pre-2105 UK GAAP to Financial Reporting Standard 101 as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices. These financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. The prior year financial statements were re-stated for material adjustments on adoption of Financial Reporting Standard 101 in the current year. For further information see note 33.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to 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 relevant, equivalent disclosures have been given in the group accounts of Thrive Renewables plc.

The financial statements are prepared under the historical cost basis.

The financial statements are prepared in pounds sterling, which is the company's functional currency.

Investments in subsidiaries and associates are stated at cost less, where appropriate, provisions for impairment.

35. PROFIT FOR THE YEAR

As permitted by Section 408 of the Companies Act 2006 the company has elected not to present its own profit and loss account for the year. The company reported a profit for the financial year ended 31 December 2015 of £3,384,290 (2014: profit £1,897,180). The profit for 2015 included £4,325,000 (2014: £2,650,000) of dividends received from subsidiary companies.

36. INVESTMENTS

INVESTMENTS IN SUBSIDIARY UNDERTAKINGS AND OTHER INVESTMENTS AT COST	£
Balance brought forward at 1 January 2015	17,931,849
Additions	1,229,008
Balance at 31 December 2015	19,160,857
Movements in investments during the year are as follows:	
Boardinghouse Wind farm Limited	1,229,008

In 2015, Thrive Renewables (Boardinghouse) Limited acquired a further 20% stake in Boardinghouse Wind Farm Limited for £1,229,008.

Subsidiary undertakings

Details of the subsidiaries and other investments are as follows:

NAME OF COMPANY	CLASS	OWNED	COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITY
Thrive Renewables (Caton Moor) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Ness Point) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Sigurd) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Severn) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Beochlich) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Haverigg II) Limited	Ordinary	100%	England	Energy supply
Brunel Wind Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (HGL) Limited	Ordinary	100%	England	Dormant
Thrive Renewables (HL) Limited	Ordinary	100%	England	Dormant
Thrive Renewables (HEL) Limited	Ordinary	100%	England	Dormant
Thrive Renewables (Wern Ddu) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Kessingland) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Buchan) Limited	Ordinary	100%	England	Holding company
Thrive Renewables (Dunfermline) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Eye) Limited	Ordinary	100%	England	Energy supply
TR (Fenpower) Limited	Ordinary	50%	England	Holding company
Fenpower Limited	Ordinary	25%	England	Energy supply
Thrive Renewables (Bristol) Limited	Ordinary	100%	England	Holding company
Thrive Renewables (Cambridge) Limited	Ordinary	100%	England	Holding company
Thrive Renewables (March) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Auchtygills) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Clayfords) Limited	Ordinary	100%	England	Energy supply
Thrive Renewables (Boardinghouse) Ltd	Ordinary	100%	England	Holding company
Boardinghouse Windfarm Limited	Ordinary	75%	England	Energy supply

37. DEBTORS

	2015 £	2014 £
Amounts owed by group undertakings	22,167,294	20,583,359
Other debtors	2,259,662	1,605,172
Taxation and social security	31,760	47,118
Group relief debtor	629,465	395,279
	25,088,181	22,630,928

38. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Bank loans (see note 19)	111,305	104,059
Trade creditors	166,679	125,026
Other creditors	14,984	14,984
Accruals and deferred income	993,780	922,608
Amounts owed to group undertakings	7,028,729	6,925,362
Dividends payable	6,998	6,998
	8,322,475	8,099,037

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

	2015 £	2014 £
Bank loans (see note 19)	246,398	357,703
Mezzanine loan finance	2,000,000	2,000,000
	2,246,398	2,357,703

40. EXPLANATION OF TRANSITION TO FINANCIAL REPORTING STANDARD 101

This is the first year that the parent company has presented its financial statements under Financial Reporting Standard 101 (FRS 101) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under a previous GAAP (UK GAAP) were for the year ended 31 December 2014 and the date of transition to Financial Reporting Standard 101 was therefore 1 January 2014 (being the opening position for the 31 December 2014 accounts).

There were no differences between the company equity and profit reporting under UK GAAP and FRS 101.

THRIVE
RENEWABLES

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Thrive Renewables plc is a public limited company,
registered in England with registered office at Deanery Road,
Bristol, BS1 5AS (registered number 02978651)