

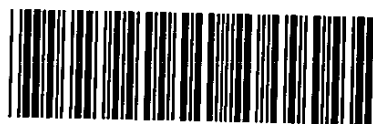
**REGISTERED NO.  
5146257**

**SSE Freight Limited**

**Financial statements for the year ended 31 March 2012**

<b>CONTENTS</b>	<b>Page No.</b>
Report of the Directors	1
Statement of directors' responsibilities in respect of the Directors' Report and the Financial statements	2
Independent Auditor's Report to the Members	3
Profit and Loss Account	4
Balance Sheet	5
Reconciliation of Movements in Shareholders' Funds	6
Notes on the Financial statements	7 - 9

SATURDAY



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29/09/2012  
COMPANIES HOUSE

## **SSE Freight Limited**

### **Report of the Directors**

The Directors present their report together with the audited financial statements for the year ended 31 March 2012

#### **1. Principal Activities**

The Company's principal activity during the year was the operation of the time chartering business of the SSE plc Group

#### **2. Business Review**

The Company's business activity during the year related to the charter out of a 'Cape' Class vessel. The contracts for the vessel primarily ceased in the prior year, with current year revenues being due to the finalisation of contracts. As such revenues have decreased by 91% in the year.

The Directors intend the Company to pursue its principal activity of the operation of the time chartering business on behalf of the SSE Group.

#### **3. Results and Dividends**

The profit after tax for the year amounted to £0.8m (2011 - £4.3m). The Directors do not recommend the payment of a dividend (2011 - £nil).

#### **4. Directors**

The Directors who served during the year were as follows:

Vincent Donnelly  
Iwan Morgan  
Alistair Phillips-Davies

#### **5. Political and Charitable Donations**

During the year, no charitable or political donations were made.

#### **6. Auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that ought to have been taken as a director to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

ON BEHALF OF THE BOARD



Alistair Phillips-Davies  
Director  
26 September 2012

## **SSE Freight Limited**

### **Statement of directors' responsibilities in respect of the Directors' Report and the Financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **SSE Freight Limited**

### **Independent Auditor's Report to the Members of SSE Freight Limited**

We have audited the financial statements of SSE Freight Limited for the year ended 31 March 2012 as set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

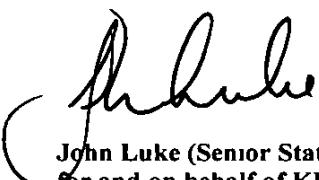
#### **Opinion on other matter prescribed by the Companies Act 2006**

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

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



**John Luke (Senior Statutory Auditor)**  
for and on behalf of KPMG Audit Plc, Statutory A  
*Chartered Accountants*  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EG

26 September 2012

## **SSE Freight Limited**

### **Profit and Loss Account for the year ended 31 March 2012**

	<b>Note</b>	<b>2012 £m</b>	<b>2011 £m</b>
<b>Turnover</b>	<b>2</b>	<b>0.5</b>	<b>5.8</b>
Cost of sales	2	-	-
<b>Profit on ordinary activities before interest and taxation</b>		<b>0.5</b>	<b>5.8</b>
Net interest receivable	4	0.6	0.1
<b>Profit on ordinary activities before taxation</b>		<b>1.1</b>	<b>5.9</b>
Tax on profit on ordinary activities	5	(0.3)	(1.6)
<b>Profit for the financial year</b>	<b>9</b>	<b>0.8</b>	<b>4.3</b>

The above results are derived from continuing activities

There were no other recognised gains and losses, other than the profit for the financial year

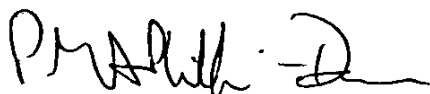
The accompanying notes are an integral part of these financial statements

## SSE Freight Limited

### Balance Sheet as at 31 March 2012

	Note	2012 £m	2011 £m
<b>Current assets</b>			
Debtors amounts falling due within one year	6	-	30.3
Debtors amounts falling due after more than one year	6	29.3	-
<b>Creditors: amounts falling due within one year</b>	7	(0.3)	(2.1)
<b>Net current assets</b>		<u>29.0</u>	<u>28.2</u>
<b>Net assets</b>		<u>29.0</u>	<u>28.2</u>
<b>Capital and reserves</b>			
Called up share capital	8	-	-
Profit and loss account	9	29.0	28.2
<b>Shareholders' funds</b>		<u>29.0</u>	<u>28.2</u>

These financial statements were approved by the Directors on 26 September 2012 and signed on their behalf by



Alistair Phillips-Davies, Director

Company Registered No 5146257

## **SSE Freight Limited**

### **Reconciliation of Movements in Shareholders' Funds as at 31 March 2012**

	<b>2012</b>	<b>2011</b>
	<b>£m</b>	<b>£m</b>
Profit for the financial year	<b>0.8</b>	<b>4.3</b>
Net addition to shareholders' funds	<b>0.8</b>	<b>4.3</b>
Opening shareholders' funds	<b>28.2</b>	<b>23.9</b>
Closing shareholders' funds	<b>29.0</b>	<b>28.2</b>

## SSE Freight Limited

### Notes on the Financial statements for the year to 31 March 2012

#### 1. Significant accounting policies

##### Basis of preparation

The financial statements have been prepared in accordance with all applicable United Kingdom accounting standards. The principal accounting policies are summarised below and have been applied consistently.

SSE Freight Limited is a wholly owned subsidiary of SSE Plc, and therefore relies upon group facilities to support its activities. The group's facilities and the rationale for preparing the group financial statements under the going concern basis are disclosed in full in the annual report and accounts of SSE Plc. For this reason the going concern basis has been adopted in preparing the financial statements of SSE Freight Limited.

Under Financial Reporting Standard 1 (FRS 1), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that the ultimate parent undertaking includes the Company in its own published consolidated Financial statements.

As the Company is a wholly owned subsidiary of SSE plc, it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the SSE Group (the Group).

##### Turnover

Turnover, stated net of value added tax, represents the amounts derived from time chartering of freight.

##### Taxation

The charge for taxation is based on the profit/(loss) for the year and takes into account deferred 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 substantially enacted, by the balance sheet date.

Deferred taxation arises in respect of items where there are timing differences between their treatment for accounting and taxation purposes. This is recognised where an obligation to pay more tax in the future has originated but not reversed at the balance sheet date. A deferred tax asset is recognised only when it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

#### 2. Turnover and cost of sales

Turnover represents the amounts derived from time chartering of freight and is stated net of value added tax. The cost of sales represents amounts in respect of a contract novated to the Company in March 2006 by SSE Energy Supply Limited (a related company).

#### 3. Directors', staff and auditors' remuneration

No Director received remuneration in respect of their service to the Company (2011 - £nil). There were no staff employed during the year (2011 - none). The Company incurred an audit fee of £2,000 in the year (2011 - £2,862).

#### 4. Net interest receivable

	2012 £m	2011 £m
Interest receivable		
From group undertakings	0.6	0.1



# SSE Freight Limited

## Notes on the Financial statements for the year to 31 March 2012

### 5. Taxation

	2012 £m	2011 £m
Current tax		
United Kingdom corporation tax charge	0.3	1.6

There is no difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax 26%, (2011 – 28%) to the profit/(loss) before tax

The 2012 Budget on 21 March 2012 announced that the UK corporation tax will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 3 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively.

### 6. Debtors

	2012 £m	2011 £m
Amounts falling due within one year		
Amounts owed by parent company	-	30.3
Amounts falling due after more than one year		
Amounts owed by parent company	29.3	-
	<u>29.3</u>	<u>30.3</u>

### 7. Creditors: amounts falling due within one year

	2012 £m	2011 £m
Amounts owed to parent company	-	0.5
Corporation tax	0.3	1.6
	<u>0.3</u>	<u>2.1</u>

### 8. Share capital

The authorised and called up share capital was

	2012 £	2011 £
Allotted, called up and fully paid		
1 ordinary share of £1 each	1	1

### 9. Reserves

	Profit and loss account £m
As at 31 March 2011	28.2
Profit for the financial year	0.8
As at 31 March 2012	<u>29.0</u>

## **SSE Freight Limited**

### **Notes on the Financial statements for the year to 31 March 2012**

#### **10. Ultimate holding company**

The Company is a subsidiary of SSE plc, which is the ultimate parent company and is registered in Scotland. The largest and smallest group in which the results of the Company are consolidated is that headed by SSE plc. The consolidated financial statements of the group (which include those of the Company) are available from Corporate Communications, Inveralmond House, 200 Dunkeld Road, Perth PH1 3AQ.