

SSE Toddleburn Limited

Directors' report and financial statements

Year ended 31 March 2019

Registered No.: SC259104



SSE Toddleburn Limited

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SSE Toddleburn Limited

Directors and Other Information

Directors

J. Smith
J. Williamson

Registered office

Inveralmond House
200 Dunkeld Road
Perth
PH1 3AQ

Secretary

B. O'Connor (appointed 7 August 2019)
S. Fairbairn (resigned 7 August 2019)

Auditor

KPMG LLP
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS

Registered number

SC259104

SSE Toddleburn Limited

Strategic Report

The directors submit their report and audited financial statements of the Company for the year ended 31 March 2019.

This Strategic Report has been prepared in accordance with the requirements of Section 414 of the Companies Act 2006. Its purpose is to inform shareholders and help them assess how the directors have performed their duties to promote the success of SSE Toddleburn Limited.

The Strategic and Business Review sets out the main trends and factors underlying the development and performance of SSE Toddleburn Limited (the "Company") during the year ended 31 March 2019, as well as those matters which are likely to affect its future development and performance.

1 Business review

The profit and loss account for the year ended 31 March 2019 is set out on page 8.

The profit for the year after taxation amounted to £2.2m (2018 : £1.8m). The balance sheet at 31 March 2019 is set out on page 9 and indicates net assets of £9.7m (2018 : £7.5m).

The weather is an important contributor to business performance. During the financial year, wind speed and volumes saw electricity output from the Company's windfarm of 71 GWh (2018: 81 GWh).

2 Key Performance indicators

The Directors believe that the following indicators will provide shareholders with sufficient information to assess how effectively the Company is performing.

Financial	2019	2018
Gross profit - £m	3.0	2.8
Turnover - £m	7.0	6.9
Net assets - £m	9.7	7.5

3 Principal risks and uncertainties

The principal risks and uncertainties affecting the Company have been disclosed within the Directors' Report on page 3.

On behalf of the Board:



J Williamson
Director
7 November 2019

SSE Toddleburn Limited

Directors' Report

The Directors present their report together with the audited financial statements for the year ended 31 March 2019.

1 Principal activities

The company's principal activity is the generation of renewable electricity from its 27.6MW wind farm in Scotland. All sales of electricity are made to a fellow group company, SSE EPM Limited.

2 Principal risks and uncertainties

The principal risks facing the company are lower wind speeds than anticipated resulting in less electricity generation, no off-take for electricity produced resulting in lower sales and technical issues with plant and machinery resulting in down-time of turbines. To mitigate against electricity off-take risk, Power Purchase agreements (PPA's) are in place which guarantee sales of electricity and grid connection equipment. To mitigate against technical risk, the company has put in place a team of experienced operators who are responsible for monitoring wind farm performance and maintaining adequate stocks of essential parts.

3 Results and dividends

The profit for the financial year amounted to £2.2m (2018 : £1.8m).

The balance sheet at 31 March 2019 is set out on page 9 and indicates net assets of £9.7m (2018: £7.5m).

The directors do not recommend the payment of a dividend (2018: £nil).

4 Directors

The directors and secretary who served during the year are as listed on page 1. In accordance with the Articles of Association of the company the directors are not required to retire by rotation.

5 Going concern

The directors have assessed that the company will prepare its financial statements on a going concern basis, see note 1 for details.

6 Brexit

The Directors are aware of the political uncertainty as a result of Brexit. This is being closely monitored by the Directors but, given the activities of the Company, is not expected to have a significant impact on the financial statements for the year ended 31 March 2020.

7 Political donations

The company did not make any political donations during the year (2018: £nil).

8 Disclosure of information to 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 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.

SSE Toddleburn Limited

Directors' Report *(continued)*

9 Auditor

In accordance with Section 489 of the Companies Act 2006, Ernst and Young LLP were appointed as SSE Group's External Auditor for the year ending 31 March 2020, at the Annual General Meeting held on 18th July 2019. Following their appointment as External Auditor of the Group, it is the intention of the directors to appoint Ernst & Young LLP as External Auditor of the Company.

On behalf of the Board:



J. Williamson
Director
7 November 2019

SSE Toddleburn Limited

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) 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 of the profit or loss of the Company for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

On behalf of the Board:



J. Williamson
Director

7 November 2019

Independent Auditor's Report to the Members of SSE Toddleburn Limited

Opinion

We have audited the financial statements of SSE Toddleburn Limited ("the company") for the year ended 31 March 2019 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Independent Auditors Report to the Members of SSE Toddleburn Limited (*continued*)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

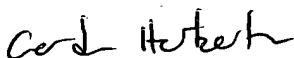
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Gordon Herbertson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS
8 November 2019

SSE Toddleburn Limited

Profit and Loss Account for the year ended 31 March 2019

	Note	2019 £m	2018 £m
Turnover	2	7.0	6.9
Cost of sales		(4.0)	(4.1)
Gross profit		3.0	2.8
Other operating income		0.4	0.4
Operating profit		3.4	3.2
Interest payable and similar charges	5	(0.7)	(1.0)
Profit before taxation		2.7	2.2
Tax charge on profit	6	(0.5)	(0.4)
Profit for the financial year		2.2	1.8

Continuing operations

The above results are derived from continuing activities.

Total other comprehensive income

The company had no other comprehensive income in the current or prior financial years.

The accompanying notes are an integral part of these financial statements.

SSE Toddleburn Limited

Balance Sheet as at 31 March 2019

	Note	2019 £m	2018 £m
Fixed assets			
Tangible assets	7	26.6	27.3
		<u>26.6</u>	<u>27.3</u>
Current assets			
Debtors: amounts falling due within one year	8	1.0	0.7
Total current assets		<u>1.0</u>	<u>0.7</u>
Current liabilities			
Creditors: amounts falling due within one year	9	(1.4)	(0.8)
Net current liabilities		<u>(0.4)</u>	<u>(0.1)</u>
Total assets less current liabilities		<u>26.2</u>	<u>27.2</u>
Creditors: amounts falling due after more than one year	10	(11.3)	(15.4)
Deferred taxation	11	(2.9)	(2.9)
Provisions for charges and liabilities	12	(2.3)	(1.4)
Net assets		<u>9.7</u>	<u>7.5</u>
Capital and reserves			
Called up share capital	13	-	-
Profit and loss account		9.7	7.5
Equity Shareholders' funds		<u>9.7</u>	<u>7.5</u>

The accompanying notes form an integral part of this balance sheet.

These financial statements were approved by the Directors on 7 November 2019 and signed on their behalf by:



J. Williamson
Director

Company registered number: SC259104

SSE Toddleburn Limited

Statement of Changes in Equity for the year ended 31 March 2019

	Profit and Share Capital loss account Total equity		
	£m	£m	£m
Balance at 1 April 2017	-	5.7	5.7
Profit for the financial year	-	1.8	1.8
Balance at 31 March 2018	-	7.5	7.5
Balance at 1 April 2018	-	7.5	7.5
Profit for the financial year	-	2.2	2.2
Balance at 31 March 2019	-	9.7	9.7

The accompanying notes form an integral part of these financial statements.

SSE Toddleburn Limited

Notes on the Financial Statements for the year ended 31 March 2019

1 Significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

SSE Toddleburn Limited (the "Company") is a private company incorporated, domiciled and registered in the United Kingdom.

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company has applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('Adopted IFRS'), but has made amendments, where necessary, in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cashflow statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- The effect of new, but not yet effective, IFRSs;
- Disclosures in respect of the compensation of key management personnel;
- Disclosures in respect of capital management; and
- Related party disclosures.

As the consolidated financial statements of SSE plc include the equivalent disclosures, the Company has also taken advantage of the exemptions, under FRS 101, available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 fair value measurement and the disclosures required by IFRS 7 financial instrument disclosures.

Adoption of IFRS 15

The Company adopted IFRS 15 on 1 April 2018 under the modified retrospective method of adoption. The adoption of IFRS 15 had no impact on the presentation of the financial statements for the year ended 31 March 2019.

Adoption of IFRS 9

The adoption of IFRS 9 had no material impact on the presentation of the financial statements for the year ended 31 March 2019. The Company has assessed the recoverability of intercompany borrowings under the expected credit loss model as part of adoption, but this has not resulted in any adjustment to the carrying value of the borrowings.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

The company has net current liabilities and is dependent on financial support provided by its ultimate parent, SSE plc. SSE plc has given a formal undertaking not to withdraw this support for a period of at least 12 months following approval of these financial statements. Given this formal undertaking to support the company, the directors have considered it appropriate to prepare these financial statements on a going concern basis.

Accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses.

It should be noted that the impact of variation in some assumptions, judgements and estimates can have a particularly material impact on the reported results. These include, but are not limited to the estimated cost of decommissioning at the end of the useful lives of property, plant and equipment assets. These are reviewed periodically, with a full reassessment by an independent decommissioning consultant performed in the year to 31 March 2019. Provision is made for the estimated discounted cost of decommissioning at the balance sheet date, and excludes any salvage value related to those assets (see note 12).

SSE Toddleburn Limited

Notes on the Financial Statements (*continued*) For the year ended 31 March 2019

1 Significant accounting policies (*continued*)

Turnover

Turnover is stated net of value added tax and is derived from the sale of electricity and other goods and services in the UK. Revenue from contracts with customers is recognised to the extent that it reflects the expected consideration for goods or services provided to the customer under contract over the performance obligations they are being provided. For each separable performance obligation identified, the Company determines whether it is satisfied at a 'point in time' or 'over time' based upon an evaluation of the receipt and consumption of benefits, control of assets and enforceable payment rights associated with that obligation. If the criteria for 'over time' recognition are not met, the performance obligation is deemed to be satisfied at a 'point in time'.

Revenue from the sale of the physical generation of electricity is recognised 'point in time', as generated. Revenue from national support schemes, such as Renewable Obligations Certificates (ROCs), may either be recognised in line with electricity being physically generated, 'point in time' or over the contractual period, 'over time', depending on the underlying performance obligation.

Taxation

The charge for taxation is based on the profit 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 tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of accumulated depreciation and any provisions for impairment.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life. Assets are depreciated once they are in use. The useful lives currently used are as follows:

Operating wind farms	20 years
Decommissioning assets	20 years

Decommissioning

A provision is recognised in the Balance Sheet when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

The estimated cost of decommissioning at the end of the useful lives of certain assets is reviewed periodically. Provision is made for the net present value of the estimated cost of decommissioning wind farm at the end of the useful life of the facilities. The estimates are based on technology and prices at the balance sheet date.

A corresponding decommissioning asset is recognised and is included within tangible fixed assets when the provision gives access to future economic benefits. Changes in these provisions are recognised prospectively. The unwinding of the discount on the provision is included in finance costs and the depreciation for the asset is straight-line over the expected useful life of the asset and recognised in cost of sales.

SSE Toddleburn Limited

Notes on the Financial Statements (*continued*)

For the year ended 31 March 2019

1 Significant accounting policies (*continued*).

Interest payable and similiar charges

Finance income is recognised as it is accrued in profit or loss using the effective rate method.

Finance costs comprise interest expense on borrowings and other charges, and unwinding of discounted provisions for decommissioning.

Debtors and creditors

Debtors and creditors are measured at amortised cost which is equivalent to fair value.

2 Turnover

The Company's revenue, which is derived from the sale of renewable energy to SSE EPM Limited arises in the United Kingdom. Revenue from the sale of the physical generation of electricity is recognised 'point in time', as generated. Revenue from national support schemes, such as Renewable Obligations Certificates (ROCs), may either be recognised in line with electricity being physically generated, 'point in time' or over the contractual period, 'over time', depending on the underlying performance obligation.

	Power Purchase Agreements (PPA's)	Renewable Obligation Certificates (ROCs)	Total
	2019	2019	2019
	£m	£m	£m
Sales of electricity transferred at a 'point in time'	3.5	3.5	7.0
	3.5	3.5	7.0

3 Expenses and auditor's remuneration

Included in profit are the following:

	2019	2018
	£000	£000
Depreciation of tangible fixed assets	1.6	1.7

Auditor's remuneration in the year was £8,200 (2018: £8,200) and has been borne by another Group company in both the current and prior year.

4 Staff costs and numbers

No staff are directly employed by the Company.

The total remuneration received by the directors for qualifying and non-qualifying services during the year was £1.1m (2018: £0.9m). The above value is for 2 directors (2018: 2), all of whom were remunerated via another Group company in the year. A value of services to the Company for these directors cannot be determined, therefore the above value reflects the remuneration for services to the SSE Group as a whole.

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid director was £0.8m (2018: £0.8m) including company pension contributions of £0.1m (2018: £0.1m) which were made to a money purchase scheme on their behalf.

SSE Toddleburn Limited

Notes on the Financial Statements (*continued*) For the year ended 31 March 2019

5 Interest payable and similar charges

	2019 £m	2018 £m
Decommissioning provision - unwind of discount (note 12)	-	0.1
Interest payable and similar charges	0.7	0.9
	0.7	1.0

6 Taxation

	2019 £m	2018 £m
UK corporation tax		
Current tax on income for the period	0.5	0.4
Total current tax	0.5	0.4
Total tax on profit	0.5	0.4

The difference between the total tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2019 £m	2018 £m
Profit before taxation	2.7	2.2
Tax on profit at standard UK corporation tax rate of 19% (2018: 19%)	0.5	0.4
Total tax charge for year	0.5	0.4

The standard rate of UK corporation tax will reduce from 19% to 17% with effect from 1 April 2020, which will reduce the company's future current tax charge accordingly. Deferred tax has been reflected at these substantively enacted rates.

7 Tangible fixed assets

	Operating windfarms £m	Decommissioning assets £m	Total £m
Cost:			
At 1 April 2018	39.9	1.3	41.2
Additions	-	0.9	0.9
At 31 March 2019	39.9	2.2	42.1
Accumulated depreciation:			
At 1 April 2018	13.7	0.2	13.9
Charge for year	1.6	-	1.6
At 31 March 2019	15.3	0.2	15.5
Net book value:			
At 31 March 2019	24.6	2.0	26.6
At 31 March 2018	26.2	1.1	27.3

SSE Toddleburn Limited

Notes on the Financial Statements (*continued*) For the year ended 31 March 2019

8 Debtors : amounts falling due within one year:

	2019 £m	2018 £m
Prepayments and accrued income	0.1	-
Amounts owed by group undertakings	0.8	0.7
Other debtors	0.1	-
	<u>1.0</u>	<u>0.7</u>

9 Creditors: amounts falling due within one year

	2019 £m	2018 £m
Amounts owed to group undertakings	0.8	0.4
Corporation tax payable	0.6	0.4
	<u>1.4</u>	<u>0.8</u>

10 Creditors: amounts falling due after more than one year

	2019 £m	2018 £m
Amounts owed to group undertakings	11.3	15.4
	<u>11.3</u>	<u>15.4</u>

The amounts owed to group undertakings are in respect of amounts advanced to the company by its parent, SSE plc. Interest is charged at 5.23% (2018 : 5.52%)

11 Deferred taxation

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2019 £m	2018 £m	2019 £m	2018 £m	2019 £m	2018 £m
Tangible fixed assets	-	-	(2.9)	(2.9)	(2.9)	(2.9)
Net Tax liabilities	-	-	(2.9)	(2.9)	(2.9)	(2.9)

Movement in deferred tax during the year

	1 April 2018 £m	31 March 2019 £m
Tangible fixed assets	(2.9)	(2.9)
	<u>(2.9)</u>	<u>(2.9)</u>

Movement in deferred tax during prior year

	1 April 2017 £m	31 March 2018 £m
Tangible fixed assets	(2.9)	(2.9)
	<u>(2.9)</u>	<u>(2.9)</u>

SSE Toddleburn Limited

Notes on the Financial Statements *(continued)* For the year ended 31 March 2019

12 Provisions for liabilities

	Decommissioning £m	Total £m
At beginning of year	1.4	1.4
Recognised in year	0.9	0.9
	2.3	2.3

In accordance with the Company's accounting policy a provision has been made for decommissioning of the company's operational assets. A discount rate of 1.7% (2018 : 2.3%) has been applied to discount the decommissioning cost provision to present values. The unwinding of the discount rate in relation to the decommissioning costs is charged to interest payable in the profit and loss account.

During the year the Group performed an assessment of decommissioning obligations across its windfarm portfolio. The review was performed by a third party expert and resulted in an increase to decommissioning provision of £0.9m.

Sensitivity analysis

The key assumptions made when calculating the decommissioning provision centre around cost estimate and discount rate applied:

An increase of 1% in the discount rate would result in a decrease to the provision of £0.2m.

A decrease of 1% in the discount rate would result in an increase to the provision of £0.2m.

An increase of 10% in the cost estimate for decommissioning would result in an increase to the provision of £0.2m.

A decrease of 10% in the cost estimate for decommissioning would result in a decrease to the provision of £0.2m.

The expected timing of outflows is in the next 11 years.

13 Share capital

	2019 £	2018 £
Allotted, called up and fully paid:		
100 ordinary share of £1.00	100	100
	100	100

14 Operating lease commitments

Total commitments under non-cancellable operating leases are as follows:

	2019 Land & Buildings £m	2018 Land & Buildings £m
Operating leases due:		
Within one year	0.1	0.2
Between one and five years	0.5	0.6
In more than five years	1.7	2.0
	2.3	2.8

During the year £0.1m was recognised as an expense in the profit and loss account in respect of operating leases (2018 : £0.2m)

SSE Toddleburn Limited

Notes on the Financial Statements *(continued)*

For the year ended 31 March 2019

15 Ultimate parent company

The Company's immediate parent company is SSE Renewables Onshore Windfarm Holdings limited, registered in Northern Ireland. SSE Toddleburn Limited's ultimate parent undertaking is SSE plc, which 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 the Company Secretary, SSE plc, Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ or by accessing the Company's website at www.sse.com.