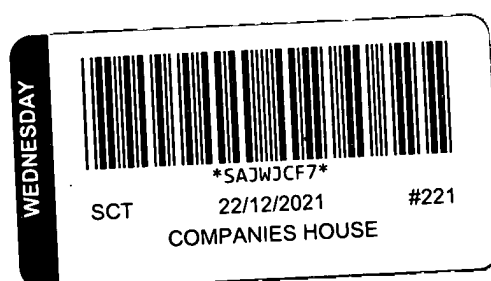


Registration number: SC436251

# SSE Renewables Offshore Windfarm Holdings Limited

Directors' Report and Financial Statements

for the Year Ended 31 March 2021



# **SSE Renewables Offshore Windfarm Holdings Limited**

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# **SSE Renewables Offshore Windfarm Holdings Limited**

## **Company Information**

<b>Directors</b>	P. Cooley
	J. Downes
	E. Harley
	A. Honeyman
	B. O'Regan
	J. Smith
	J. Williamson
	A. Shah
<b>Company secretary</b>	B. O'Connor
<b>Registered office</b>	Inveralmond House 200 Dunkeld Road Perth PH1 3AQ
<b>Auditors</b>	Ernst & Young LLP G1 Building 5 George Square Glasgow G2 1DY
<b>Registered number</b>	SC436251

# **SSE Renewables Offshore Windfarm Holdings Limited**

## **Strategic Report for the Year Ended 31 March 2021**

The directors present their report for the year ended 31 March 2021.

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 duty to promote the success of SSE Renewables Offshore Windfarm Holdings Limited.

The Strategic and Financial Review sets out the main trends and factors underlying the development and performance of SSE Renewables Offshore Windfarm Holdings Limited (the "Company") during the year ended 31 March 2021, as well as those matters which are likely to affect its future development and performance.

### **Fair review of the business**

The primary activity during the year has been in relation to the investments in Beatrice, SSE Walney and Doggerbank. A dividend of £35.8m was received from SSE Beatrice Offshore Windfarm Holdings Limited as disclosed in note 5 of the financial statements.

As disclosed in note 10, during the year ended the company increased its investment in the Doggerbank Offshore Windfarm Project by £95.6m. The loans to Doggerbank Offshore Windfarm Project Holdco 1 and Doggerbank Windfarm Project Holdco 2 totalling £182.5m were repaid during the year.

In September 2020 the company completed the sale of its investment in SSE Renewables Walney (UK) Limited to Greencoat Wind plc. The disposal of the subsidiary investment was for consideration of £350.0m paid to the company's ultimate parent company SSE plc, which resulted in an exceptional gain on sale of £116.3m for the company.

On 4 December 2020 the company sold a 10% stake in the first two phases of Doggerbank Windfarm to Eni for an equity consideration of £206.4m. Following the disposal of £2m of the capital contribution investment and the transaction costs the resulting gain on sale for the company was £201.7m.

The profit and loss account for the year ended 31 March 2021 is set out on page 11. The profit for the year after tax amounted to £355.4m (2020: £33.2m). The balance sheet at 31 March 2021 is set out on page 12 and indicated net assets of £68.4m (2020: £65.0m).

During the year the company paid a dividend of £352.0m (2020: £28.0m) to its parent undertaking, SSE Renewables Limited.

### **Financial performance**

The company's key financial and other performance indicators during the year were as follows:

	<b>31 March 2021 £ m</b>	<b>31 March 2020 £ m</b>
Operating profit	318.0	-
Profit before tax	354.7	32.7
Profit after tax	355.4	33.2
Net assets	68.4	65.0
Total assets	81.0	219.9
Dividends paid	352.0	28.0

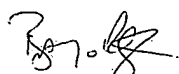
## **SSE Renewables Offshore Windfarm Holdings Limited**

### **Strategic Report for the Year Ended 31 March 2021 (continued)**

#### **Principal risks and uncertainties**

The principal risk facing the company is that group companies would be unable to repay loans or the company would be unable to realise investments carried in the company's balance sheet. To mitigate this risk, the directors ensure careful selection of investments and monitor the performance and financial status of those group companies on an ongoing basis.

Approved by the Board on 16 December 2021 and signed on its behalf by:



.....  
B. O'Regan  
Director

# **SSE Renewables Offshore Windfarm Holdings Limited**

## **Directors' Report for the Year Ended 31 March 2021**

The directors present their report and the financial statements for the year ended 31 March 2021.

### **Principal activity**

The principal activity of the company is to act as a holding company for the purposes of holding shares and providing funding to fellow group companies.

### **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. The following directors resigned or were appointed during the year:

F. McCutcheon (resigned 31/12/2020)

A. Shah (appointed 15/09/2021)

### **Dividends**

Dividends paid during the year amount to £352.0 (2020: £28.0m) and equate to £3.5m per share (2020: £0.3m)

### **Political donations**

The company did not make any political or charitable donations during the year (2020: £nil).

### **Future developments**

There are limited future developments expected for the company. The company is expected to continue to operate under its principal activities in the near future, which remain part of the Group's long-term strategy.

### **Going concern**

The financial statements are prepared on a Going Concern basis which has been supported by the provision of a parental letter of support from SSE plc. The Group letter of support confirms it will provide support for a period of 12 months from the date of signing of these accounts where required. The Directors are satisfied that the Group has the ability to provide this support, should it be required.

In assessing the financial strength of the letter of support provided, the directors considered the cash balance of £1.6bn at 31 March 2021, the undrawn committed bank facilities of £1.5bn maintained by the Group, the current commercial paper market conditions, the recent success of the Group in refinancing maturing debt, as well as sensitivities on future cashflow projections that reflect the impact of the coronavirus pandemic and the Group's credit rating. The directors also considered the proceeds received through the Group's disposal programme and mitigating actions available to the Group under downside scenarios including non-essential capex postponement and refinancing of maturing debt. In considering these factors, the directors satisfied themselves that the SSE plc group has sufficient headroom to continue as a going concern and could provide support to the business as required.

Having reviewed the financial strength of the Group, the directors are satisfied that the Group, and the company itself, will remain funded for the foreseeable future. The Directors have concluded it is appropriate for the financial statements to be prepared on a going concern basis.

### **Assessing the impact of coronavirus**

The Directors have considered the impact of coronavirus on the future prospects of the Company. Due to the operations of the Company, the impact of the virus on the current year has been limited and the impact on future periods is also expected to be limited. The Directors have also considered the expected impact of coronavirus on the Company and the Group in reaching their assessment of the Company's ability to continue as a going concern.

## **SSE Renewables Offshore Windfarm Holdings Limited**

### **Directors' Report for the Year Ended 31 March 2021 (continued)**

#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Reappointment of auditors**

The auditors Ernst & Young LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 16 December 2021 and signed on its behalf by:



.....  
B. O'Regan  
Director

## **SSE Renewables Offshore Windfarm Holdings Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable United Kingdom law and regulations.

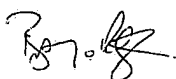
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, and in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group and company financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the company will not continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Under applicable law and regulations, the directors are also responsible for preparing a strategic report and directors' report, that comply with that law and those regulations.

Approved by the Board on 16 December 2021 and signed on its behalf by:



.....  
B. O'Regan  
Director

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SSE RENEWABLES OFFSHORE WINDFARM HOLDINGS LIMITED

## Opinion

We have audited the financial statements of SSE Renewables Offshore Windfarm Holdings Limited for the year ended 31 March 2021 which comprise Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period until December 2022 from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS101 and Companies Act 2006) and relevant tax compliance regulations in the UK. We also determined there was no non-compliance with regulatory requirements.
- We understood how SSE Renewables Offshore Windfarm Holdings Limited is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We confirmed our enquiries through our review of board minutes, regulatory correspondence and papers provided to the SSE plc Audit Committee. We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We also considered performance targets and their propensity to influence on efforts made by management to manage earnings. We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls at a group level. Where the risk was considered to be higher, we performed audit procedures to address the identified fraud risk, management override of controls, specifically around revenue recognition.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved: journal entry testing, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the business and enquiries of legal counsel and management. In addition, we completed procedures to conclude on the compliance of the disclosures in the financial statements and accounts with all applicable requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

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 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.

*Ernst & Young LLP.*

Nicola McIntyre (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Glasgow  
17 December 2021

## SSE Renewables Offshore Windfarm Holdings Limited

### Profit and Loss Account for the Year Ended 31 March 2021

	Note	2021 £ m	2020 £ m
Exceptional items		116.3	-
Other gains	3	<u>201.7</u>	<u>-</u>
Operating profit		318.0	-
Income from other fixed asset investments	5	35.8	32.4
Interest receivable and similar income	6	4.4	3.1
Interest payable and similar expenses	7	<u>(3.5)</u>	<u>(2.8)</u>
Profit before tax		354.7	32.7
Tax on profit	9	<u>0.7</u>	<u>0.5</u>
Profit for the year		<u><u>355.4</u></u>	<u><u>33.2</u></u>

The above results were derived from continuing operations.

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

# SSE Renewables Offshore Windfarm Holdings Limited

**(Registration number: SC436251)**  
**Balance Sheet as at 31 March 2021**

	Note	31 March 2021 £ m	31 March 2020 £ m
<b>Non-current assets</b>			
Investments	10	42.2	186.6
Amounts owed by Group undertakings		<u>36.7</u>	<u>-</u>
		<u>78.9</u>	<u>186.6</u>
<b>Current assets</b>			
Debtors	11	2.1	33.3
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	12	<u>(12.6)</u>	<u>(154.9)</u>
<b>Net current liabilities</b>		<u>(10.5)</u>	<u>(121.6)</u>
<b>Net assets</b>		<u>68.4</u>	<u>65.0</u>
<b>Capital and reserves</b>			
Called up share capital	13	-	-
Share premium reserve		61.7	61.7
Profit and loss account		<u>6.7</u>	<u>3.3</u>
<b>Shareholders' funds</b>		<u>68.4</u>	<u>65.0</u>

Approved by the Board on 16 December 2021 and signed on its behalf by:



.....  
B. O'Regan  
Director

# SSE Renewables Offshore Windfarm Holdings Limited

## Statement of Changes in Equity for the Year Ended 31 March 2021

	Share capital £ m	Share premium £ m	Profit and loss account £ m	Total £ m
At 1 April 2020	-	61.7	3.3	65.0
Profit for the year	-	-	355.4	355.4
Dividends paid	-	-	(352.0)	(352.0)
At 31 March 2021	-	61.7	6.7	68.4
	Share capital £ m	Share premium £ m	Profit and loss account £ m	Total £ m
At 1 April 2019	-	61.7	(1.9)	59.8
Profit for the year	-	-	33.2	33.2
Dividends	-	-	(28.0)	(28.0)
At 31 March 2020	-	61.7	3.3	65.0

The notes on pages 14 to 21 form an integral part of these financial statements.

# **SSE Renewables Offshore Windfarm Holdings Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **1 General information**

The company is a private company limited by share capital, incorporated and domiciled in Scotland.

These financial statements were authorised for issue by the Board on 16 December 2021.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Basis of preparation**

These financial statements were 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, 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.

The functional and presentational currency of the company is GBP and rounding is to the nearest one hundred thousand GBP.

#### **Summary of disclosure exemptions**

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

- A cash flow statement and related notes required by IAS 7;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets required by IAS 1, IAS 16 and IAS 36 respectively;
- The effect of new, but not yet effective, IFRSs required by IAS 1;
- Disclosures in respect of the compensation of key management personnel required by IAS 24;
- Disclosures in respect of capital management required by IAS 1; and
- Related party disclosures required by IAS 24.

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

- Certain disclosures required by IAS 36, Impairment of assets, in respect of the impairment of goodwill and life intangible assets; and
- Certain disclosures required by IFRS 13, Fair value measurement, and the disclosures required by IFRS 7, Financial instrument disclosures.

Employee share based payments have not been disclosed on the basis of materiality.

## **SSE Renewables Offshore Windfarm Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Consolidated accounts**

The company is a subsidiary of SSE plc and the financial statements of the company are consolidated with the consolidated financial statements of that company. Consolidated accounts have not been prepared as the company is availing itself of the exemption whereby, as a wholly owned subsidiary of an entity which prepares consolidated accounts, it is not required to prepare consolidated accounts under section 400 of the Companies Act 2006.

##### **Going concern**

The financial statements are prepared on a Going Concern basis which has been supported by the provision of a parental letter of support from SSE plc. The Group letter of support confirms it will provide support for a period of 12 months from the date of signing of these accounts where required. The Directors are satisfied that the Group has the ability to provide this support, should it be required.

In assessing the financial strength of the letter of support provided, the directors considered the cash balance of £1.6bn at 31 March 2021, the undrawn committed bank facilities of £1.5bn maintained by the Group, the current commercial paper market conditions, the recent success of the Group in refinancing maturing debt, as well as sensitivities on future cashflow projections that reflect the impact of the coronavirus pandemic and the Group's credit rating. The directors also considered the proceeds received through the Group's disposal programme and mitigating actions available to the Group under downside scenarios including non-essential capex postponement and refinancing of maturing debt. In considering these factors, the directors satisfied themselves that the SSE plc group has sufficient headroom to continue as a going concern and could provide support to the business as required.

Having reviewed the financial strength of the Group, the directors are satisfied that the Group, and the company itself, will remain funded for the foreseeable future. The Directors have concluded it is appropriate for the financial statements to be prepared on a going concern basis.

##### **Finance income and costs policy**

Interest income and costs are recognised in the income statement as they accrue, on an effective interest method.

##### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using 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 amounts of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable profits from which future reversals of the underlying temporary differences can be deducted.

##### **Investment income**

Investment income comprises dividends received from the company's investments in associated undertakings. Dividends receivable from investments are recognised when the right to such income is established. This is considered to be at the point that they are appropriately authorised and are no longer at the discretion of the investee company.

## SSE Renewables Offshore Windfarm Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 2 Accounting policies (continued)

##### Investments

Investments in subsidiary undertakings and joint ventures are shown at cost less provision for any impairment in value.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

##### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

#### 3 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2021 £ m	2020 £ m
Gain from disposal of investments	201.7	-
On 4 December 2020 the company sold a 10% stake in the first two phases of Doggerbank Windfarm to Eni for an equity consideration of £206.4m. Following the disposal of £2m of the capital contribution investment and the transaction costs the resulting gain on sale for the company was £201.7m.		

#### 4 Directors' remuneration

The total remuneration received by the directors for qualifying and non-qualifying services during the year was £3.7m (2020: £2.3m). The above value is for 8 directors (2020: 11), who 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 remunerations received 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 £1.1m (2020: £1.0m) including company pension contributions of £0.1m (2020: £1.0m) which were made to a money purchase scheme on their behalf.

#### 5 Income from other fixed asset investments

Income from other fixed asset investments represents dividend income received from subsidiary and joint venture investments as follows:

	2021 £ m	2020 £ m
SSE Beatrice Offshore Windfarm Holdings Limited	35.8	32.4

# SSE Renewables Offshore Windfarm Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

### 6 Interest receivable and similar income

	2021 £ m	2020 £ m
Unwind of discount on loans to joint ventures not at market rate (note 10)	<u>4.4</u>	<u>3.1</u>

### 7 Interest payable and similar expenses

	2021 £ m	2020 £ m
Interest payable to Group companies	<u>3.5</u>	<u>2.8</u>

### 8 Auditors' remuneration

The company incurred an audit fee of £13,000 in the year (2020: £12,500). The fee in both the current and previous year was borne by another group company.

### 9 Income tax

Tax credited in the profit and loss account

	2021 £ m	2020 £ m
<b>Current taxation</b>		
UK corporation tax	<u>(0.7)</u>	<u>(0.5)</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - lower than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £ m	2020 £ m
Profit before tax	<u>354.7</u>	<u>32.7</u>
Corporation tax at standard rate of 19% (2020: 19%)	67.4	6.2
Increase from effect of revenues exempt from taxation	<u>(68.1)</u>	<u>(6.7)</u>
Total tax credit	<u>(0.7)</u>	<u>(0.5)</u>

The Government announced in the Budget on 3 March 2021 that the main rate of corporation tax will increase to 25% for the financial year beginning 1 April 2023. Prior to this date, the rate of corporation tax will remain at 19%.

The increase to 25% rate was not substantively enacted at 31 March 2021, therefore the Company has continued to measure deferred tax balances at 19%.

## SSE Renewables Offshore Windfarm Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 10 Investments

Investments	Subsidiaries £ m	Joint Ventures & Associates (Equity) £ m	Joint Ventures & Associates (Loans) £ m	Total £ m
<b>Cost or valuation</b>				
At 1 April 2020	59.9	12.2	114.5	186.6
Additions (i)	-	2.6	93.0	95.6
Disposals (i)/(ii)/(iii)	(59.9)	(2.0)	(182.5)	(244.4)
Changes in fair value (i)	-	-	4.4	4.4
At 31 March 2021	-	12.8	29.4	42.2
<b>Carrying amount</b>				
At 31 March 2021	-	12.8	29.4	42.2
At 31 March 2020	59.9	12.2	114.5	186.6

(i) During the year ended 31 March 2021 the company increased its investment in the Doggerbank Offshore Windfarm Project by £95.6m, being a non-interest bearing loan shown at fair value of £93.0m, with the difference being accounted for as a capital contribution. The unwinding of the discount on the loan (note 6) has been recognised as a change in the fair value of £4.4m. The loans to Doggerbank Offshore Windfarm Project Holdco 1 and Doggerbank Windfarm Project Holdco 2 totalling £182.5m were repaid during the year.

(ii) In September 2020 the company completed the sale of its investment in SSE Renewables Walney (UK) Limited to Greencoat Wind plc. The disposal of the subsidiary investment was for proceeds of £350.0m which was paid to the ultimate parent company SSE Plc. This resulted in an exceptional gain on sale of £116.3m for the company.

(iii) On 4 December 2020 the company sold a 10% stake in the first two phases of Doggerbank Windfarm to Eni for an equity consideration of £206.4m. Following the disposal of £2m of the capital contribution investment and the transaction costs the resulting gain on sale for the company was £201.7m.

## SSE Renewables Offshore Windfarm Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 10 Investments (continued)

Details of the investments as at 31 March 2021 are as follows:

Name of subsidiary	Principal activity	Registered address (key)	Country of incorporation	Proportion of ownership interest and voting rights held	
				2021	2020
Beatrice Offshore Windfarm Limited	Power generation	A	Scotland	40%	40%
Beatrice Offshore Windfarm Holdco Limited	Holding company	A	Scotland	40%	40%
Doggerbank Offshore Wind Farm Project 1 Holdco Limited*	Holding company	B	England & Wales	40%	50%
Doggerbank Offshore Wind Farm Project 1 Projco Limited	Renewable development	B	England & Wales	40%	50%
Doggerbank Offshore Wind Farm Project 2 Holdco Limited*	Holding company	B	England & Wales	40%	50%
Doggerbank Offshore Wind Farm Project 2 Projco Limited	Renewable development	B	England & Wales	40%	50%
Doggerbank Offshore Wind Farm Project 3 Holdco Limited*	Holding company	B	England & Wales	50%	50%
Doggerbank Offshore Wind Farm Project 3 Projco Limited	Renewable development	B	England & Wales	50%	50%
North Falls Offshore Wind Farm Limited	Renewable development	C	England & Wales	50%	50%
North Falls Offshore Wind Farm Holdco Limited*	Holding company	C	England & Wales	50%	50%
SSE Beatrice Offshore Windfarm Holdings Limited*	Holding company	A	Scotland	100%	100%
SSE Galloper Offshore Windfarm Holdings Limited*	Holding company	B	England & Wales	100%	100%
SSE Renewables Walney (UK) Limited*	Holding company	B	England & Wales	0%	100%

## SSE Renewables Offshore Windfarm Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 10 Investments (continued)

Name of subsidiary	Principal activity	Registered address (key)	Country of incorporation	Proportion of ownership interest and voting rights held	
				2021	2020
Walney (UK) Offshore Windfarms Limited	Power generation	D	England & Wales	0%	25.1%

\* indicates direct investment of SSE Renewables Offshore Windfarm Holdings Limited.

#### Registered address key

##### Reference Registered Office:

A	Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ
B	No 1 Forbury Place, 43 Forbury Road, Reading, RG1 3JH
C	Windmill Hill Business Park, Whitehill Way, Swindon, Wiltshire, SN5 6PB
D	5 Horwick Place, London, SW1P 1WG

#### 11 Trade and other debtors

	31 March 2021 £ m	31 March 2020 £ m
Debtors from related parties	1.3	32.8
Prepayments	0.1	-
Income tax asset	0.7	0.5
	<u>2.1</u>	<u>33.3</u>

#### 12 Creditors

##### *Amounts falling due within one year*

	31 March 2021 £ m	31 March 2020 £ m
Accrued expenses	1.9	-
Amounts due to related parties	10.7	154.9
	<u>12.6</u>	<u>154.9</u>

The amounts disclosed in the balance sheet as owed to related parties and falling due within one year are in respect of amounts advanced to the company by its ultimate parent SSE plc. Interest is charged at 5.01% (2020: 5.06%).

## SSE Renewables Offshore Windfarm Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 13 Share capital

##### Allotted, called up and fully paid shares

	31 March 2021		31 March 2020	
	No.	£	No.	£
ordinary shares of £1 each	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>

#### 14 Dividends

##### Interim dividends paid

	31 March 2021 £ m	31 March 2020 £ m
Interim dividend of £3,485,678 (2020 - £277,228) per each ordinary share	<u>352.1</u>	<u>28</u>

#### 15 Parent and ultimate parent undertaking

The company's immediate parent is SSE Renewables Limited.

The ultimate parent is SSE plc.

The most senior parent entity producing publicly available financial statements is SSE plc. These financial statements are available upon request from Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ or by accessing the company's website at [www.sse.com](http://www.sse.com)

The ultimate controlling party is SSE plc.

#### 16 Non adjusting events after the financial period

On 1 June 2021 the company acquired 100% of Berwick Bank Wind Limited from SSE Renewables Services (UK) Limited.

On 1 June 2021 the company acquired 100% of Marr Bank Wind Limited from SSE Renewables Services (UK) Limited

On 14 July 2021 the company acquired 50% of Greater Gabbard Offshore Winds Limited from SSE Renewables Holdings (UK) Limited

On 1 November 2021 it was announced that the company had reach an agreement to sell a 10% stake in Doggerbank C Windfarm to Eni for equity consideration of £70m. This transaction is expected to complete in early 2022, subject to regulatory and lender approvals.