

Griffin Wind Farm Limited

Directors' report and
financial statements

Year ended 31 March 2011

Registered number: SC245113

TUESDAY



SQ5BEZ2D

SCT

08/11/2011

791

COMPANIES HOUSE

Griffin Wind Farm Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities in respect of the directors' report and the financial statements	4
Independent auditor's report	5
Statement of accounting policies	7
Profit and loss account	9
Balance sheet	10
Notes forming part of the financial statements	11

Griffin Wind Farm Limited

Directors and other information

Directors

F. McGregor Alexander
C. Giblin (Irish)
B. O'Regan (Alternate Director)

Registered office

Inveralmond House
200 Dunkeld Road
Perth
PH1 3AQ
Scotland

Secretary

L. J. V. Donnelly

Solicitors

Harper MacLeod
The Ca'D'Oro
45 Gordon Street
Glasgow
G11 3PE

Bankers

Ulster Bank
11-16 Donegall Square East
Belfast
BT1 5UB

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Griffin Wind Farm Limited

Registered number: SC245113

Directors' report

The directors present their report together with the audited financial statements of the company for the year ended 31 March 2011.

Principal activity, business review (including principal risks and uncertainties) and future developments

The company is engaged in the construction of a 156MW wind farm in Scotland.

The principal risks facing the company are cost overruns on the wind farm construction project, failure to complete the project on time and having no off-take for the electricity produced when constructed. To mitigate against these risks, the directors of the company have resolved to put in place fixed price contracts for the construction of the wind farm and to enter into a long term purchase agreement to sell electricity generated from the wind farm to Scottish and Southern Energy plc once completed.

The company's immediate parent company is Griffin Wind Farm (Holdings) Limited. The ultimate parent undertaking is Scottish and Southern Energy plc.

Results for the year and state of affairs as at 31 March 2011

The results for the year ended 31 March 2011 are set out on page 9.

The balance sheet at 31 March 2011 is set out on page 10 and indicates net liabilities of £1,144,000 (2010: £1,205,000). The directors do not recommend the payment of a dividend.

Directors and secretary

The following directors resigned from office during the year:

Director	Resignation date
D. Flynn	28/07/2010

The following directors were appointed during the year:

Director	Appointment date
C. Giblin	28/07/2010
B. O'Regan (Alternate Director)	20/05/2011

The current directors and secretary are those listed on page 1. In accordance with the Articles of Association of the company the directors are not required to retire by rotation.

Post balance sheet events

There have been no significant events since the balance sheet date.

Political and charitable donations

The company did not make any political or charitable donations during the year (2010: £nil).

Griffin Wind Farm Limited

Registered number: SC245113

Directors' report *(continued)*

Going concern

The company is dependent on ongoing financial support from a fellow group company. The financial statements have been prepared on a going concern basis which assumes adequate finance will be available for the foreseeable future. A fellow group company has given an undertaking not to demand repayment of monies advanced to the company for the foreseeable future.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditor

In accordance with Section 487 of the Companies Act, 2006, the auditor, KPMG, Chartered Accountants, will be deemed to be reappointed and therefore will continue in office.

On behalf of the Board



F. McGregor Alexander
Director



C. Giblin
Director

25 August 2011

Griffin Wind Farm 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 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; 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.

On behalf of the Board



F. McGregor Alexander
Director



C. Giblin
Director



KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Independent auditor's report to the members of Griffin Wind Farm Limited

We have audited the financial statements of Griffin Wind Farm Limited for the year ended 31 March 2011, which comprise the profit and loss account, the balance sheet and the related notes. 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 auditors

As explained more fully in the Directors' Responsibilities 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. 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 website at 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 2011 and of its results 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

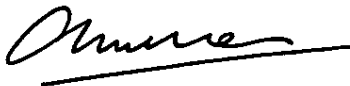
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Griffin Wind Farm Limited
(continued)

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.



C. Mullen (Senior Statutory Auditor)
For and behalf of KPMG, Statutory Auditor
1 Stokes Place
St Stephen's Green
Dublin 2
Ireland

25 August 2011

Griffin Wind Farm Limited

Statement of accounting policies

for the year ended 31 March 2011

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

Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Scotland. The financial statements are stated in Pounds Sterling and have been rounded to the nearest thousand.

Going concern

The company is dependent on ongoing financial support from a fellow group company. The financial statements have been prepared on a going concern basis which assumes adequate finance will be available for the foreseeable future. A fellow group company has given an undertaking not to demand repayment of monies advanced to the company for the foreseeable future.

Cash flow statement

The company is exempt from the requirements of FRS 1 '*Cash flow Statements*' (*Revised*) to include a cash flow statement as part of its financial statements because the company is a wholly owned subsidiary of Scottish and Southern Energy plc, which publishes a consolidated cash flow statement.

Related party transactions

The company is availing of the exemption under FRS 8 '*Related Party Disclosures*', whereby as it is a wholly owned subsidiary undertaking of Scottish and Southern Energy plc, it is not disclosing transactions with any group undertakings which are consolidated in the financial statements of Scottish and Southern Energy plc.

Tangible fixed assets

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

Assets in construction are recorded at cost. Depreciation of assets in construction commences when the asset is placed in service. Interest on borrowing and arrangement fees related to the financing of major capital projects are capitalised during construction, as part of the cost of the project. Capitalisation of these interest costs ceases when the asset is ready for service.

Griffin Wind Farm Limited

Statement of accounting policies *(continued)*

Taxation

Current tax, including UK corporation and foreign tax, is provided on the company's taxable profits at amounts expected to be paid (or recovered) using the tax rates and laws enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

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 timing differences can be deducted.

Griffin Wind Farm Limited

Profit and loss account for the year ended 31 March 2011

	<i>Note</i>	Year ended 31 March 2011 £'000	Year ended 31 March 2010 £'000
Tax credit on ordinary activities	3	61	-
Profit for the financial year	11	<u>61</u>	<u>-</u>

The company had no recognised gains or losses in the current year or the prior financial period other than those dealt with in the profit and loss account.

On behalf of the board



F. McGregor Alexander
Director



C. Griblin
Director

Griffin Wind Farm Limited

Registered number: SC245113

Balance Sheet as at 31 March 2011

	<i>Note</i>	2011 £'000	2010 £'000
Fixed assets			
Tangible assets	4	89,299	10,995
Current assets			
Debtors	5	4,690	547
Cash at bank and in hand	6	1,940	195
		6,630	742
Creditors: amounts falling due within one year	7	(6,699)	(1,879)
Net current liabilities		(69)	(1,137)
Total assets less current liabilities		89,230	9,858
Creditors: amounts falling due after more than one year	8	(89,581)	(11,063)
Net current liabilities		(351)	(1,205)
Provisions for liabilities & charges	9	(793)	-
Net assets		(1,144)	(1,205)
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	(1,145)	(1,206)
Shareholders' deficit	11	(1,144)	(1,205)

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

On behalf of the Board



F. McGregor Alexander
Director



C. G. Glin
Director

Griffin Wind Farm Limited

Notes

forming part of the financial statements

1 Ownership and operations

The company's immediate parent undertaking is Griffin Wind Farm (Holdings) Limited.

The company's ultimate parent undertaking is Scottish and Southern Energy plc, registered in the United Kingdom. The largest and smallest group in which the results of the company are consolidated is that headed by Scottish and Southern Energy plc. The consolidated financial statements of Scottish and Southern Energy plc are available to the public and may be obtained from its registered office at Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ.

No other company financial statements include the results of the company.

The company is currently engaged in the construction of a windfarm.

2 Statutory and other information

Auditor's remuneration has been borne by another group company in the current and prior year.

	2011 £'000	2010 £'000
<i>Auditors remuneration</i>		
- Audit services	3	3
- Tax advisory services	-	-
	3	3

None of the directors received any emoluments in respect of fees or services to the company in the year ended 31 March 2011 (2010: *£nil*).

The company had no employees during the year ended 31 March 2011 (2010: *nil*).

Griffin Wind Farm Limited

Notes (continued)

3 Taxation

	Year ended 31 March 2011 £'000	Year ended 31 March 2010 £'000
Current taxation		
Current tax credit at 28%	(854)	-
Prior year over provision	-	-
	<u>(854)</u>	<u>-</u>
Deferred taxation		
Origination and reversal of timing differences	854	-
Effect of rate change	(61)	-
	<u>(61)</u>	<u>-</u>
Tax credit on ordinary activities	<u>(61)</u>	<u>-</u>

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

	Year ended 31 March 2011 £'000	Year ended 31 March 2010 £'000
Profit on ordinary activities before tax	-	-
Tax charge on profit on ordinary activities at standard UK corporation tax rate of 28% (2010: 28%)	-	-
<i>Effects of:</i>		
Deductible expenditure capitalised	(854)	-
Prior year over provision	-	-
Current tax credit for year	<u>(854)</u>	<u>-</u>

The current tax credit arises on capitalised interest, which has been surrendered by way of group relief.

Griffin Wind Farm Limited

Notes (continued)

3 Taxation (continued)

The Emergency Budget on 22 June 2010 announced that the UK corporation tax rate will reduce from 28% to 24% over a period of four years from 2011. The first change from 28% to 27% was substantially enacted in July 2010 and applies from 1 April 2011. The March 2011 Budget further reduced the tax rate from 1 April 2011 to 26%. This was substantively enacted on 29 March 2011. These changes will reduce the Company's future current tax charge accordingly. As this rate change has been substantively enacted it has the effect of reducing the Company's net deferred tax liabilities recognised at 31 March 2011 by £61k. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction (the rate now being reduced to 23%) due to legislation not being enacted, although this will further reduce the Company's future current tax charge and reduce the Company's deferred tax liabilities/assets accordingly.

4 Tangible fixed assets

	Assets under construction £'000
<i>Cost</i>	
Balance at beginning of year	10,995
Additions	78,304
Balance at end of year	89,299
<i>Accumulated depreciation</i>	
Balance at beginning of year	-
Charge for year	-
Balance at end of year	-
<i>Net book value</i>	
31 March 2011	89,299
31 March 2010	10,995

Tangible fixed assets include £3.1m of capitalised interest (2010: £nil).

5 Debtors

	2011 £'000	2010 £'000
VAT receivable	4,207	64
Other debtors and prepayments	483	483
	4,690	547

Griffin Wind Farm Limited

Notes (continued)

6 Cash at bank and in hand

Included in cash at bank and in hand are amounts totalling £1,912,951 (2010: £nil) of restricted cash balances held on deposit.

7 Creditors: amounts falling due within one year	2011 £'000	2010 £'000
Accruals	6,699	1,879

8 Creditors: amounts falling due after more than one year	2011 £'000	2010 £'000
Amounts due to group undertakings (unsecured, repayable on demand)	89,581	11,063

9 Provisions for liabilities & charges	2011 £'000	2010 £'000
<i>Deferred tax</i>		
At beginning of year	-	-
Charge in year (note 3)	793	-
Balance at end of year	793	-

10 Called up share capital	2011 £	2010 £
<i>Authorised, allotted, called up and fully paid</i>		
1,200 ordinary shares of £1 each	1,200	1,200

Griffin Wind Farm Limited

Notes (continued)

11 Reconciliation of movement in profit and loss account and shareholders' funds

	Profit and loss account 2011 £'000	Shareholders' funds 2011 £'000	Profit and loss account 2010 £'000	Shareholders' funds 2010 £'000
Balance at beginning of year	(1,206)	1	(1,206)	1
Profit for the financial year	61	-	-	-
Balance at end of year	(1,145)	1	(1,206)	1

12 Capital Commitments

At 31 March 2011, the company had capital commitments of £96.9m (2010: £2.3m).

13 Approval of financial statements

The directors approved these financial statements on 25 August 2011.