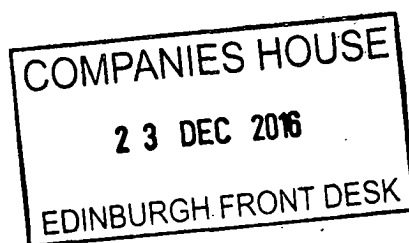


Griffin Wind Farm Limited

Directors report and financial statements

Year ended 31 March 2016

Registered No.: SC245113



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Griffin Wind Farm Limited

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Griffin Wind Farm Limited

Directors and Other Information

Directors

P. Smith (Resigned 31 May 2016)
J. Smith
J. Williamson (Appointed 1 January 2016)
P. Donaldson (Resigned 31 December 2015)

Registered office

Inveralmond House
200 Dunkeld Road
Perth
PH1 3AQ
Scotland

Secretary

S. Fairbairn

Auditor

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

Banker

National Westminster Bank plc
13 Market Place
City Centre
RG1 2EG

Registered number

SC245113

Griffin Wind Farm Limited

Strategic Report

The directors submit their report and audited financial statements of the company for the year ended 31 March 2016.

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 Griffin Wind Farm Limited.

The Strategic and Financial Review sets out the main trends and factors underlying the development and performance of Griffin Wind Farm Limited (the "Company") during the year ended 31 March 2016, 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 2016 is set out on page 6. The profit for the year after taxation amounted to £3.7m (2015: loss of £0.6m). The balance sheet at 31 March 2016 is set out on page 7 and indicates net assets of £2.5m (2015: net liabilities of £1.2m).

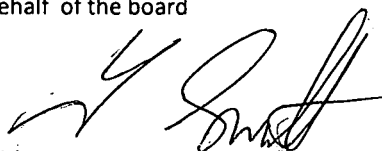
Electricity output from Griffin wind farm increased in 2015/16 compared to the previous year (436 GWh, excluding constraint, compared to 420 GWh) as a result of windier conditions in the year. However, the full favourable impact of the increased volume was offset by a much lower market price achieved and the removal of the Climate Change Levy (CCL) exemption for renewable electricity reducing Levy Exemption Certificates (LECs) income.

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	2016	2015
Gross profit - £m	13.6	11.9
Turnover - £m	28.6	29.6
Operating profit - £m	13.6	11.9
Net assets/(liabilities) - £m	2.5	(1.2)

On behalf of the board



J. Smith
Director

16 December 2016

Griffin Wind Farm Limited

Directors' Report

The directors present their report together with the audited financial statements for the year ended 31 March 2016.

1 Principal activities

Griffin Windfarm is involved in the generation of renewable electricity from its 188MW windfarm in Scotland. All sales of electricity are made to a fellow group company, SSE EPM Ltd.

2 Principal risks and uncertainties

The principal risks facing the company in relation to the operational windfarm 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, purchase price agreements are in place which guarantee sales of electricity. To mitigate against technical risk, the company has also put in place a team of experienced operators who are responsible for monitoring wind farm performance and maintaining adequate stocks of essential parts.

3 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.

4 Political and charitable donations

The company did not make any political or charitable donations during the year (2015: *Nil*).

5 Post balance sheet events

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

6 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.

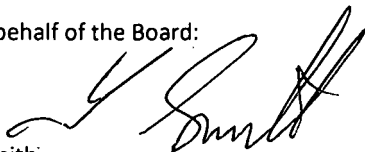
7 Going concern

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

8 Auditor

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

On behalf of the Board:



J. Smith
Director

16 December 2016

Griffin Wind Farm Limited

Statement of directors' responsibilities in respect of the Strategic report, 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.

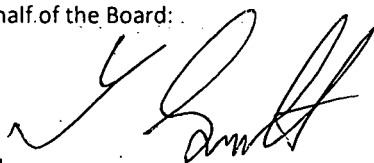
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS101 *Reduced Disclosure 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; 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:



J. Smith
Director

16 December 2016

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 2016 as set out on pages 6 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including *FRS101 Reduced Disclosure Framework*.

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

Respective responsibilities of director and auditor

As explained more fully in the Director's Responsibilities Statement set out on page 4, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 and of its loss 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 Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Gordon Herbertson

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

22 December 2016

Griffin Wind Farm Limited

Profit and Loss Account for the year ended 31 March 2016

	Note	2016 £m	2015 £m
Turnover		28.6	29.6
Cost of sales		(15.0)	(17.7)
Operating profit		13.6	11.9
Interest payable and similar charges	4	(12.1)	(13.1)
(Loss)/Gain on foreign currency balances		(2.6)	3.8
(Loss)/profit on ordinary activities before taxation	2	(1.1)	2.6
Tax on (loss)/profit on ordinary activities	5	4.8	(3.2)
Profit/(loss) for the financial year		3.7	(0.6)

Continuing operations

The above results are derived from continuing activities.

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

Total other comprehensive income

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

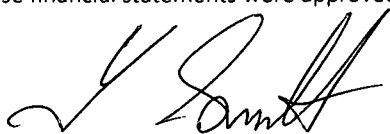
Griffin Wind Farm Limited

Balance Sheet as at 31 March 2016

	Note	2016 £m	2015 £m
Fixed assets			
Tangible assets	6	<u>225.3</u>	<u>229.7</u>
		225.3	229.7
Current assets			
Debtors:			
amounts falling due within one year	7	9.5	5.2
Cash at bank and in hand	8	<u>1.9</u>	<u>1.9</u>
Total current assets		11.4	7.1
Current liabilities			
Creditors: amounts falling due within one year	9	<u>(6.4)</u>	<u>(5.3)</u>
Net current assets		5.0	1.8
Total assets less current liabilities		<u>230.3</u>	<u>231.5</u>
Creditors: amounts falling due after more than one year	10	(197.0)	(206.7)
Provisions	11	(11.3)	(6.1)
Deferred taxation	12	(19.5)	(19.9)
Net assets/(liabilities)		<u>2.5</u>	<u>(1.2)</u>
Capital and reserves			
Called up share capital	13	-	-
Profit and loss account		2.5	(1.2)
Shareholders' funds/(deficit)		<u>2.5</u>	<u>(1.2)</u>

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

These financial statements were approved by the Directors on 16 December 2016 and signed on their behalf by:



J. Smith
Director
Company registered number: SC245113

Griffin Wind Farm Limited

Statement of Changes in Equity for the year ended 31 March 2016

	Share capital £m	Profit and loss account £m	Total equity £m
Balance at 1 April 2014	-	(0.6)	(0.6)
Loss for the financial year	-	(0.6)	(0.6)
Balance at 31 March 2015	-	(1.2)	(1.2)
Balance at 1 April 2015	-	(1.2)	(1.2)
Profit for the financial year	-	3.7	3.7
Balance at 31 March 2016	-	2.5	2.5

Griffin Wind Farm Limited

Notes on the Financial statements for the year ended 31 March 2016

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.

Basis of preparation

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

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.

The company has transitioned its adopted accounting framework from UK Generally Accepted Accounting policies (UK GAAP) to FRS 101, details on changes affecting the company are in note 15.

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;
- Comparative period reconciliations for tangible fixed 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 disclosure, the Company has also taken advantage of the exemptions, under FRS 101, available in respect of the following disclosure:

- Certain disclosures required by *IFRS 13 Fair value measurement* and the disclosures required by *IFRS 7 Financial instrument* disclosures.

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

Griffin Wind Farm Limited

Notes on the Financial statements *(continued)* for the year ended 31 March 2016

1 Significant accounting policies *(continued)*

Going concern

The company has net current assets, net assets and a loss for the financial year and 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.

The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting liabilities as they fall due for payment.

Turnover

Turnover consists of sales of renewable energy to fellow group companies, exclusive of Value Added Tax together with revenue earned under the Renewable Obligation Certificates ("ROCs") regime. Electricity sales are based on meter readings and include an estimate of the fair value of units supplied between the date of the last meter reading and year end. "ROCs" revenue is based on units generated during the period times estimated selling price.

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 original cost, net of accumulated depreciation and any provisions for impairment.

Depreciation is provided on tangible fixed assets to write off cost, less residual values, on a straight-line basis over their estimated operational lives. The estimated operational lives are as follows:

	Years
Operating wind farms	20
Operating wind farm equipment	5

Assets in development are recorded at cost. Depreciation of assets in construction commences when the asset is placed in service. Interest on borrowing and arrangements 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.

Decommissioning

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 offshore wind farms 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 property, plant and equipment 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.

Griffin Wind Farm Limited

Notes on the Financial statements *(continued)* for the year ended 31 March 2016

2 Expenses and auditor's remuneration

Profit is arrived at after charging/(crediting):

	2016 £m	2015 £m
Depreciation of tangible fixed assets (note 6)	13.2	13.0
Foreign exchange (loss)/gain	(2.6)	3.8

	2016 £000	2015 £000
<i>Amounts receivable by the company's auditor and its associates in respect of:</i>		
Audit related assurance services	1.0	1.0
Taxation compliance services	1.0	1.0

The audit fee in the year and the previous year was borne by the Parent company.

3 Staff costs and numbers

No staff are directly employed by the Company and no director received emoluments in respect of fees or services to the company in the year.

4 Interest payable and similar charges

	2016 £m	2015 £m
Interest payable to group companies	12.1	13.1
	12.1	13.1

Griffin Wind Farm Limited

Notes on the Financial statements *(continued)* for the year ended 31 March 2016

5 Taxation

	2016 £m	2015 £m
UK corporation tax		
Current tax on income for the period	(1.8)	0.7
Adjustment in respect of prior periods	(2.6)	-
Total current tax (credit)/charge	(4.4)	0.7
Deferred tax (see note 12):		
Origination and reversal of temporary differences	1.6	3.2
Change in applicable tax rate	(2.0)	-
Adjustment in respect of prior periods	-	(0.7)
Total deferred tax	(0.4)	2.5
Total tax on (loss)/profit on ordinary activities	(4.8)	3.2

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

	2016 £m	2015 £m
(Loss)/profit before taxation	(1.1)	2.6
Tax on (loss)/profit on ordinary activities at standard UK corporation tax rate of 20% (2015: 21%)	(0.2)	0.5
Effects of:		
Effect of rate change	(2.0)	2.8
Adjustment in respect of previous periods	(2.6)	(0.7)
Other items	-	0.6
Total tax (credit)/charge for year	(4.8)	3.2

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. The deferred tax liability at 31 March 2016 has been calculated based on these rates.

An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly and reduce the deferred tax liability at 31 March 2016 by £1.1m

Griffin Wind Farm Limited

Notes on the Financial statements *(continued)* for the year ended 31 March 2016

6 Tangible fixed assets

	Operating windfarm £m	Decommissioning Assets £m	Operating windfarm equipment £m	Total £m
Cost:				
At 1 April 2015	262.3	-	7.2	269.5
Additions	-	8.8	-	8.8
At 31 March 2016	262.3	8.8	7.2	278.3
Accumulated depreciation:				
At 1 April 2015	35.2	-	4.6	39.8
Charge for the year	11.8	-	1.4	13.2
At 31 March 2016	47.0	-	6.0	53.0
Net book value:				
At 31 March 2016	215.3	8.8	1.2	225.3
At 31 March 2015	227.1	-	2.6	229.7

The above tangible fixed assets include £11,100,000 (2015: £11,100,000) of capitalised interest, of which none was capitalised in the current year (2015: *£nil*).

During the year the company created decommissioning assets based on the estimated net present cost of decommissioning the Company's generation assets. Estimates are based on forecast clean-up costs at the time of decommissioning, discounted for the time value of money

7 Debtors

	2016 £m	2015 £m
Amounts falling due within one year:		
Trade debtors	0.3	0.8
Amounts owed by group undertakings	3.6	3.4
Corporation tax - group relief receivable	4.4	-
Other debtors	1.2	1.0
	9.5	5.2

Griffin Wind Farm Limited

Notes on the Financial statements *(continued)* for the year ended 31 March 2016

8 Cash and cash equivalents

Included in cash at bank and in hand are amounts totalling £1,931,231 (2015: £1,927,000) of restricted cash balances held on deposit.

9 Creditors: amounts falling due within one year

	2016 £m	2015 £m
Amounts owed to group undertakings	1.8	2.9
Corporation tax payable	2.8	0.6
Accruals and deferred income	1.8	1.8
	<u>6.4</u>	<u>5.3</u>

10 Creditors: amounts falling due after more than one year

	2016 £m	2015 £m
Amounts owed to group undertakings	197.0	206.7
	<u>197.0</u>	<u>206.7</u>

11 Provisions

	Decommissioning		Total
	Other £m	Costs £m	£m
At 1 April 2015	6.1	-	6.1
Provisions made during the year	-	8.8	8.8
Utilised during the year	(3.6)	-	(3.6)
At 31 March 2016	<u>2.5</u>	<u>8.8</u>	<u>11.3</u>

In accordance with the company's accounting policy a provision has been made for the decommissioning of the company's wind farms a discount rate of 2.3% has been applied to discount the decommissioning cost provision to present values. The unwinding of discount rate in relation to decommissioning costs is charged to interest payable in the profit and loss account.

Griffin Wind Farm Limited

Notes on the Financial statements *(continued)* for the year ended 31 March 2016

12 Deferred taxation

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2016	2015	2016	2015	2016	2015
	£m	£m	£m	£m	£m	£m
Provisions	-	-	(19.5)	(19.9)	(19.5)	(19.9)
Net tax liabilities	-	-	(19.5)	(19.9)	(19.5)	(19.9)

Movement in deferred tax during the year

	1 April 2015	Recognised in income	Recognised in equity	31 March 2016
	£m	£m	£m	£m
Provisions	(19.9)	0.4	-	(19.5)
	(19.9)	0.4	-	(19.5)

Movement in deferred tax during prior year

	1 April 2014	Recognised in income	Recognised in equity	31 March 2015
	£m	£m	£m	£m
Provisions	(17.4)	(2.5)	-	(19.9)
	(17.4)	(2.5)	-	(19.9)

13 Share capital

	2016	2015
	£	£
Allotted, called up and fully paid:		
1,200 ordinary shares of £1.00 each	1,200	1,200
	1,200	1,200

Griffin Wind Farm Limited

Notes on the Financial statements *(continued)* for the year ended 31 March 2016

14 Ultimate parent company

The Company is a subsidiary of SSE plc.

The Company is a subsidiary of SSE plc, which is the ultimate parent company and is registered in Scotland. The largest and smallest Group in which the results of the Company are consolidated is that headed by SSE plc. The consolidated financial statements of the Group (which include those of the Company) are available from the Company Secretary, SSE plc, Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ or by accessing the Company's website at www.sse.com.

The Company is a wholly owned subsidiary of Griffin Wind Farm (Holdings) Limited.

15 Explanation of transition to FRS 101 from old UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 101.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2016 and the comparative information presented in these financial statements for the year ended 31 March 2015.

In preparing its FRS 101 balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to FRS 101 has affected the Company's financial position and financial performance is set out in the following tables and the notes that accompany the tables.

Griffin Wind Farm Limited

Notes on the Financial statements *(continued)* for the year ended 31 March 2016

15 Explanation of transition to FRS 101 from UK GAAP *(continued)*

		1 April 2014			31 March 2015		
	Note	UK GAAP £m	Effect of transition to FRS 101 £m	FRS101 £m	UK GAAP £m	Effect of transition to FRS 101 £m	FRS 101 £m
Fixed assets							
Tangible assets	6	240.3	2.4	242.7	226.6	3.1	229.7
		<u>240.3</u>	<u>2.4</u>	<u>242.7</u>	<u>226.6</u>	<u>3.1</u>	<u>229.7</u>
Current assets							
amounts falling due within one year	7	12.1	-	12.1	5.2	-	5.2
Cash at bank and in hand	8	1.9	-	1.9	1.9	-	1.9
Total current assets		<u>14.0</u>	<u>-</u>	<u>14.0</u>	<u>7.1</u>	<u>-</u>	<u>7.1</u>
Current liabilities							
Creditors: amounts falling due within one year	9	(13.4)	-	(13.4)	(5.3)	-	(5.3)
Net current assets		<u>0.6</u>	<u>-</u>	<u>0.6</u>	<u>1.8</u>	<u>-</u>	<u>1.8</u>
Total assets less current liabilities		<u>240.9</u>	<u>2.4</u>	<u>243.3</u>	<u>228.4</u>	<u>3.1</u>	<u>231.5</u>
Creditors: amounts falling due after more than one year	10	(217.1)	-	(217.1)	(206.7)	-	(206.7)
Provisions for liabilities and charges	11	(9.4)	-	(9.4)	(6.1)	-	(6.1)
Deferred tax liabilities	12	(16.9)	(0.5)	(17.4)	(19.2)	(0.7)	(19.9)
Net liabilities		<u>(2.5)</u>	<u>1.9</u>	<u>(0.6)</u>	<u>(3.6)</u>	<u>2.4</u>	<u>(1.2)</u>
Capital and reserves							
Called up share capital	13	-	-	-	-	-	-
Profit and loss account		(2.5)	1.9	(0.6)	(3.6)	2.4	(1.2)
Shareholders' deficit		<u>(2.5)</u>	<u>1.9</u>	<u>(0.6)</u>	<u>(3.6)</u>	<u>2.4</u>	<u>(1.2)</u>

Wind farm operating life

As required by FRS 101, the company undertook a review of the components of property, plant and equipment and the relevant depreciation rates in relation thereto. The decrease in the closing accumulated depreciation balance arising from the change in asset life was £2.4m for the year ended 31st March 2014 and £3.1m for the year ended 31st March 2015.

Griffin Wind Farm Limited

Notes on the Financial statements *(continued)* for the year ended 31 March 2016

15 Explanation of transition to FRS 101 from UK GAAP *(continued)*

		UK GAAP	2015 Effect of transition to FRS 101	FRS 101
	Note	£m	£m	£m
Turnover		29.6	-	29.6
Cost of sales		(18.4)	0.7	(17.7)
Gross profit		11.2	0.7	11.9
Operating profit	2	11.2	0.7	11.9
Interest payable and similar charges	4	(13.1)	-	(13.1)
Exceptional items		3.8	-	3.8
Profit on ordinary activities before taxation		1.9	0.7	2.6
Tax on profit on ordinary activities	5	(3.0)	(0.2)	(3.2)
Loss for the financial year		(1.1)	0.5	(0.6)

Wind farm operating life

Depreciation charged to the profit and loss account increased by £0.7m as a result of the changes made to the useful lives and remaining value of the windfarm assets as noted on page 17.