

**Annual Report and Financial  
Statements**

*Dudgeon Offshore Wind  
Limited*

**For the year ended 31 December 2021**

## Dudgeon Offshore Wind Limited

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## Dudgeon Offshore Wind Limited

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### COMPANY INFORMATION

#### **DIRECTORS**

A Alnaqbi	
M J Al Ramahi	
D Choi Tat Man	(Appointed 10 December 2021)
S Flørenæs	(Resigned 1 June 2021)
K Hajiyeva	
B Minic	(Resigned 28 January 2022)
M Negrescu	(Resigned 22 September 2021)
A Opaker	(Appointed 1 June 2021)
P Qi	
T Ulla	(Appointed 22 September 2021)
W Xiaobin	(Appointed 5 October 2021)
L Xianzhang	(Resigned 5 October 2021)
T T Zhang	(Resigned 10 December 2021)

#### **SECRETARY**

Mitre Secretaries Limited

#### **AUDITOR**

Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

#### **REGISTERED OFFICE**

1 Kingdom Street  
London  
W26 BD

# Dudgeon Offshore Wind Limited

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## STRATEGIC REPORT

The directors of Dudgeon Offshore Wind Limited (Dudgeon) present their strategic report for the Company for the year ended 31 December 2021.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is the production of offshore wind energy.

### REVIEW OF THE BUSINESS

Dudgeon has had another successful year of operations, with annual generation of 1,531 GWh (2020 : 1,728 GWh).

The annual generation was slightly lower (8%) than budget, due to lower average wind speeds in first 9 months of the year offset by consistently high production based availability (PBA) throughout the year.

### KEY PERFORMANCE INDICATORS

#### Asset Performance

	<b>Actual</b>	<b>Budget</b>	<b>Deviation</b>
Generation (settlement basis, GWh)	1,531	1,657	-8%

#### Financials

	<b>Actual</b>	<b>Budget</b>	<b>Deviation</b>
Turnover (£ million)	249.2	285.2	-13%
Profit after tax (£ million)	101.4	127.0	-20%

#### HSE

Safety is paramount in the energy sector and therefore Dudgeon has specific HSE KPIs including:

- Total recorded injury frequency (TRIF)
- Lost time frequency (LTI)
- Serious incident frequency (SIF)
- Reportable environmental incidents in year
- Falling object frequency

### FUTURE DEVELOPMENTS

There are no planned changes to the activities of the Company in the future.

## Dudgeon Offshore Wind Limited

### STRATEGIC REPORT (CONTINUED)

#### **STATEMENT OF HOW DIRECTORS HAVE COMPLIED WITH THEIR DUTY TO HAVE REGARD TO THE MATTERS IN SECTION 172(1) COMPANIES ACT 2006 ‘DUTY TO PROMOTE THE SUCCESS OF THE COMPANY’**

The directors of Dudgeon comply with their duties under section 172 (1) Companies Act 2006 by overseeing the operations of the company and how the Company’s actions affect stakeholders.

##### ***Shareholders***

Dudgeon is a wholly owned subsidiary of Dudgeon Holdings II Limited, which in turn is a wholly owned subsidiary of Dudgeon Holdings Limited (DHL). DHL is jointly controlled by its shareholders, Equinor New Energy Limited, CRC New Energy (UK) Limited and Masdar Offshore Wind UK Limited. The joint shareholders’ strategy is for excess cash to be distributed as dividends whenever possible. Before dividend distributions are made or proposed, the board reviews management accounts and cash flow projections to consider the effect the distribution would have on the financial position of the Company including its ability to pay debts as they fall due.

Operations are managed by Equinor ASA group (Equinor). The DHL group follows Equinor’s processes and controls.

##### ***The Board of Directors***

The Dudgeon board consists of representatives of all three joint shareholders . The board has 4 scheduled meetings each year. Each of these meetings contains both an SSU (safety and sustainability) and business update from the plant manager.

On an annual basis, KPI’s, the annual business plan and budget are considered and approved.

The board is notified of any expenditure between £250k and £500k.

Any expenditure over £500k requires board approval.

##### ***Workforce***

Dudgeon does not have any employees. Its workforce consists of Equinor employees in addition to third party contractors.

Safety is paramount in the energy sector and Equinor’s “I am safety” initiative is the foundation of its effort to enhance its safety culture and drive improvements in safety and security behaviour. The “I am safety” expectations represent fundamental traits of a strong safety culture. These expectations support and strengthen ongoing initiatives to continuously improve safety and security and contribute to a consistent way of working. These expectations are applicable to all Equinor employees and sub-contractors.

HSE incidents are brought to the attention of the board and strategies put in place to constantly improve safety behaviour.

##### ***Local Communities***

Dudgeon follows the BEIS guidance on Community Benefits from Onshore Wind Developments. During the lifetime of the operation of its offshore wind farm, Dudgeon will pay £100,000 per annum into its Community Fund, and this money will be used to provide grants to support education initiatives for the benefit of young people living in the Great Yarmouth, Breckland and North Norfolk districts of Norfolk. The Dudgeon Community Fund is being administered by Norfolk Community Foundation, and prospective applicants can find out more about the fund criteria and obtain the Expression of Interest Form on their website [www.norfolkfoundation.com/funds/dudgeon-community-fund](http://www.norfolkfoundation.com/funds/dudgeon-community-fund)

# Dudgeon Offshore Wind Limited

## STRATEGIC REPORT (CONTINUED)

### ***Suppliers***

Dudgeon is committed to using suppliers who operate consistently in accordance with its values, and who maintain high standards for HSE, ethics and corporate social responsibility.

Dudgeon payment practice reports for 2021 are available at [www.gov.uk/check-when-businesses-pay-invoices](https://www.gov.uk/check-when-businesses-pay-invoices).

### **PRINCIPAL RISKS AND UNCERTAINTIES**

There are a number of risks that the Company faces in the course of conducting its business operations. Although not exhaustive, the following list highlights the principal risks and uncertainties.

#### ***COVID-19***

A COVID-19 risk assessment has been performed and identified critical business functions and personnel in the event of a disruption in operations relating to the pandemic. The assessment included engagement with key stakeholders and support functions within Equinor's SSU and Business Continuity teams. Focusing on key aspects of the business, in a scenario-based approach has supported the prioritisation of actions and allocation of resources in response to COVID-19. Analysis of COVID-19 developments and potential impact to Dudgeon and its partners will continue prioritising robust mitigations. The Company remains committed to ensuring safe and efficient operations.

#### ***HSSE risk***

The nature of operations exposes the company to health, safety, security and environmental (HSSE) risks. For 2021 this related to operation and maintenance activities offshore which involved transport and access to wind turbine generators (WTGs) and substations, work on high voltage systems, operation of marine vessels and lifting activities associated with the repair and maintenance of offshore installations. The organisation under the operatorship of Equinor has been structured and integrated to address the nature of activities with appropriate structures and procedures in place to handle these risks and to meet the requirements of UK legislation.

#### ***Wind speed risk***

The risk of lower than anticipated production owing to the unpredictable nature of wind as a resource is mitigated by appropriate planning processes to ensure that WTG availability for production is maximised during periods of high mean wind speed. To further facilitate this, extensive experience is also gained from operational experience from the owners' organisations.

#### ***Legislative risk***

There is a risk of adverse legislation changes against the Company impacting its ability to make returns on the investment made. This risk is managed by close monitoring of, and involvement in, the developments in applicable renewable regimes in the UK.

#### ***Asset failure risk***

The failure of one or more turbines or part of the transmission assets could lead to high rectification costs, loss of revenue and impact the Company's ability to trade. In this case, the Company has maintenance contracts in place in the event of such failure and insurance policies to cover loss from property damage and business interruptions.

*Anders Opaker*

Anders Opaker  
Director  
23 June 2022

## Dudgeon Offshore Wind Limited

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### DIRECTORS' REPORT

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

#### **RESULTS AND DIVIDENDS**

The profit for the year after taxation was £101,430k (year ended 31 December 2020: £134,088k profit). Interim dividends were paid during the year, totalling £0.27 per share (2020 : £0.45 per share) with a further dividend of £0.12 per share (2020 : £0.13 per share) proposed.

#### **GOING CONCERN**

On the basis of current financial projections and available facilities, the directors of the Company conclude that the Company has adequate resources to continue in operational existence for the going concern period from the date of approval of the financial statements to 30 September 2023. The directors have prepared projected cash flow information for this going concern period.

The Company's business activities together with the factors likely to affect its future operations and the Company's objectives, policies and processes from managing its risks are set out in the Strategic Report.

The Company's going concern assumption is based on the outcome of modelled scenarios that show the Company's ability to withstand the ongoing market disruption arising from COVID-19 including varying the duration of the effects of the pandemic and the timing of recovery as the restriction measures on society and business are eased. The Company is protected against any possible pricing volatility as a result of lower power demands due to the fixed renewable subsidy income received.

The Company has modelled various scenarios to determine the impact of:

1. a potential reduction in market price, and
2. reduced production volumes as a result of an unplanned outage

Based on these scenarios and the resources available to the Company, the directors believe the Company has more than sufficient liquidity to manage through a range of different cashflow scenarios over the period to 30 September 2023. Given the Company's strong liquidity position, the directors adopt the going concern basis in preparing the financial statements.

#### **CHARITABLE DONATIONS AND POLITICAL CONTRIBUTIONS**

UK charitable donations in the year ended 31 December 2021 amounted to £126k (2020: £112k). No contributions were made to a political party during the year.

#### **STREAMLINED ENERGY AND CARBON REPORTING**

The Company is fully consolidated in the Dudgeon Holdings Limited Group accounts which contains streamlined energy and carbon reporting.

## Dudgeon Offshore Wind Limited

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### DIRECTORS' REPORT (CONTINUED)

#### **DIRECTORS AND THEIR INTERESTS**

The directors who served the Company during the year and changes since 31 December 2021 are listed on page 1. None of the directors at any time during the period ended 31 December 2021 had any beneficial interest in the shares or debentures of the Company.

None of the directors at any time during the period ended 31 December 2021 had any material interest in any contracts with the Company.

#### **DIRECTORS' STATEMENT AS TO 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.

#### **STATEMENT SUMMARISING HOW DIRECTORS HAVE ENGAGED WITH STAKEHOLDERS**

A statement summarising how directors have engaged with suppliers, customers and others in a business relationship is included within the Section 172 statement in the strategic report.

#### **AUDITORS**

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

By order of the Board of Directors



Anders Opaker – Director

23 June 2022

I Kingdom Street  
London  
W2 6BD

## Dudgeon Offshore Wind Limited

### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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;
- 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.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUDGEON OFFSHORE WIND LIMITED

## Opinion

We have audited the financial statements of Dudgeon Offshore Wind Limited (the 'company') for the year ended 31 December 2021 which comprise the Profit and Loss Account and other comprehensive income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 18, 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 December 2021 and of its profit for the period 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 till 30 September 2023 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUDGEON OFFSHORE WIND LIMITED (CONTINUED)

### Other information (continued)

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 7, 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUDGEON OFFSHORE WIND LIMITED (CONTINUED)

### 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 (FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Companies Act 2006, Bribery Act 2010 and relevant tax compliance regulations in the jurisdiction in which the Company operates.
- We understood how the Company is complying with those frameworks by making enquiries of management and observing the oversight of those charged with governance. We corroborated our enquiries through the reading of the following documentation:
  - all minutes of board meetings held during the period;
  - any relevant correspondence with local tax authorities;
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by gaining an understanding of the entity level controls and policies that the Company applies. In doing so we focused on the revenue recognition risk associated with the sale of electricity through Power Purchase Agreement (PPA) and Renewable Obligation Certificates (ROCs) ensuring that management had appropriate controls in place to address this risk and that we designed and executed additional audit procedures to address this risk.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing of journal entries, with a focus on journals indicating large or unusual transactions or meeting our defined risk criteria based on our understanding of the business, enquiries of management and those charged with governance.

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 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.

DocuSigned by:

  
Jackie Ann Geary

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Jacqueline Ann Geary (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

23 June 2022

## Dudgeon Offshore Wind Limited

### PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME for the year ended 31 December 2021

	<i>Notes</i>	2021 £'000	2020 £'000
<b>TURNOVER</b>	3	<b>249,179</b>	298,126
<b>COST OF SALES</b>		<b>(92,775)</b>	(87,661)
<b>GROSS PROFIT</b>		<b>156,404</b>	210,465
Administrative expenses		(5,525)	(4,589)
Other operating income		3,022	3,022
<b>OPERATING PROFIT</b>	4	<b>153,901</b>	208,898
Interest receivable and similar income	5a	5,315	7,510
Interest payable and similar charges	5b	(38,417)	(40,163)
Fair value movement on financial instruments		13,564	(7,155)
<b>PROFIT BEFORE TAXATION</b>		<b>134,363</b>	169,090
Taxation	6	(32,933)	(35,002)
<b>PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION</b>		<b>101,430</b>	134,088

All operations are derived from continuing operations in both the current and preceding year.

There are no other gains or losses in the current or preceding year other than the profit for the years.

Notes on pages 14 to 28 form part of these financial statements.

# Dudgeon Offshore Wind Limited

## BALANCE SHEET at 31 December 2021

Registered number 4418909

		2021 £'000	2020 £'000
<i>Notes</i>			
<b>FIXED ASSETS</b>			
Tangible assets	7	<b>1,145,145</b>	1,212,348
<b>CURRENT ASSETS</b>			
Debtors (including £306,457k (2020 : £341,165k) due after more than one year)	8	<b>376,706</b>	386,413
Cash at bank and in hand		<b>32,139</b>	44,666
		<b>408,845</b>	431,079
<b>CREDITORS: amounts falling due within one year</b>	9	<b>(136,564)</b>	(142,772)
		<b>272,281</b>	288,307
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,417,426</b>	1,500,655
<b>CREDITORS: amounts falling due after more than one year</b>	11	<b>(1,271,369)</b>	(1,340,951)
<b>PROVISIONS</b>	12	<b>(140,773)</b>	(143,850)
<b>NET ASSETS</b>		<b>5,284</b>	15,854
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	-	-
Profit and loss account		<b>5,284</b>	15,854
<b>SHAREHOLDERS' FUNDS</b>		<b>5,238</b>	15,854

Notes on pages 14 to 28 form part of these financial statements.

Approved by the Board of Directors and signed on their behalf by:

*Anders Opaker*

..... Anders Opaker - Director  
23 June 2022

# Dudgeon Offshore Wind Limited

## STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2021

Registered number 4418909

	Share capital	Profit & loss	Total
	Account	Shareholder's Funds	
	£'000	£'000	£'000
At 1 January 2020	-	16,396	16,396
Profit for the year	-	134,088	134,088
Partial write off of loan to parent company	-	(25,000)	(25,000)
Dividend distribution (paid £0.45 per share and proposed £0.13 per share)	-	(109,630)	(109,630)
	_____	_____	_____
<b>At 31 December 2020</b>	<b>-</b>	<b>15,854</b>	<b>15,854</b>
	=====	=====	=====
At 1 January 2021	-	15,854	15,854
Profit for the year	-	101,430	101,430
Partial write off of loan to parent company	-	(40,000)	(40,000)
Dividend distribution (paid £0.27 per share and proposed £0.12 per share)	-	(72,000)	(72,000)
	_____	_____	_____
<b>At 31 December 2021</b>	<b>-</b>	<b>5,284</b>	<b>5,284</b>
	=====	=====	=====

Notes on pages 14 to 28 form part of these financial statements.

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS at 31 December 2021

#### 1. ACCOUNTING POLICIES

Dudgeon Offshore Wind Limited is a company limited by shares and incorporated and domiciled in England and Wales, registration number 4418909. The registered office is shown on page 1.

##### ***Basis of preparation***

These financial statements were prepared in accordance with Financial Reporting Standard 102, the financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS102”) and issued in August 2014. The amendments to FRS 102 issued in December 2017 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The financial statements are prepared under the historical cost accounting convention, except for the measurement of derivatives at fair value, and in accordance with applicable UK accounting standards.

The Company’s parent, Dudgeon Holdings Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Dudgeon Holdings Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from 1 Kingdom Street, London, W2 6BD. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Dudgeon Holdings Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Company has taken the exemption in FRS 102.33.1A not to disclose related party transactions entered into between members of the Dudgeon Holdings Limited group, where subsidiaries party to the transaction are wholly owned by Dudgeon Holdings Limited.

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

##### ***Going concern***

On the basis of current financial projections and available facilities, the directors of the Company conclude that the Company has adequate resources to continue in operational existence for the going concern period from the date of approval of the financial statements to 30 September 2023. The directors have prepared projected cash flow information for this going concern period.

The Company’s business activities together with the factors likely to affect its future operations and the Company’s objectives, policies and processes from managing its risks are set out in the Strategic Report.

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### ***Going concern (continued)***

The Company's going concern assumption is based on the outcome of modelled scenarios that show the Company's ability to withstand the ongoing market disruption arising from COVID-19 including varying the duration of the effects of the pandemic and the timing of recovery as the restriction measures on society and business are eased. The Company is protected against any possible pricing volatility as a result of lower power demands due to the fixed renewable subsidy income received.

The Company has modelled various scenarios to determine the impact of:

1. a potential reduction in market price, and
2. reduced production volumes as a result of an unplanned outage

Based on these scenarios and the resources available to the Company, the directors believe the Company has more than sufficient liquidity to manage through a range of different cashflow scenarios over the period to 30 September 2023. Given the Company's strong liquidity position, the directors adopt the going concern basis in preparing the financial statements.

##### ***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the balance sheet date. All differences are taken to the profit and loss account.

##### ***Research and development***

Research expenditure is written off as incurred.

##### ***Interest payable / receivable and similar charges / income***

Upfront loan facility fees are capitalised and released to the profit and loss account over the term of the loan.

Loan commitment fees are charged to the profit and loss account when payable.

Finance costs incurred from the unwinding of the discount factor on long term liabilities are charged to the profit and loss account.

All other interest payable or receivable is charged or credited to the profit and loss account as incurred.

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### *Taxation*

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

##### *Leasing*

Assets held under finance leases are capitalised in the balance sheet and are depreciated over the primary lease term. The corresponding lease commitment is capitalised in the balance sheet as a liability. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of capital payments outstanding.

Operating leases are expensed to the profit and loss account on a straight line basis over the lease term.

##### *Basic financial instruments*

###### *Trade and other debtors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

###### *Trade and other creditors*

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

###### *Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

###### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits.

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### *Basic financial instruments (continued)*

###### *Loans and bonds*

Loans and bonds are initially measured at the transaction price, adjusted for transaction costs. They are subsequently measured at amortised cost.

###### *Other financial instruments*

###### *Derivatives*

Interest rate swaps are initially recognised at fair value on the date the contract is entered into and are subsequently re-measured at their fair value at each reporting date. Changes in the fair value of derivatives are recognised in the profit and loss account.

###### *Tangible fixed assets*

Expenditure on tangible fixed assets is capitalised in the month in which it is incurred. The Company undertakes a review for impairment of the costs capitalised if events or changes in circumstances indicate that the carrying amount may not be recoverable. To the extent that the carrying amount exceeds the recoverable amount that is the higher of net realisable value and value in use, the fixed asset costs are written down to their recoverable amount.

During the construction phase of the wind farm, all loan interest, whether on parent company or third party loans was considered to be directly attributable to the construction of the wind farm and was therefore capitalised.

Interest payable and receivable on rate swaps is considered to be part of the Company's borrowing cost and was therefore capitalised in the same way as loan interest.

Leased assets are initially recorded at the present value of lease payments. The assets are subsequently depreciated over their remaining useful economic lives.

###### *Depreciation*

Capitalised decommissioning costs and owned windfarm assets are depreciated on a straight line basis over their estimated useful economic lives of 27 years starting the month after they commence full production.

Leased assets are depreciated on a straight line over the 20 year term of the lease.

###### *Decommissioning provision*

A decommissioning provision arises when the legal obligation to remove the wind farm installation arises. The amount recognised is the estimated future expenditure determined in accordance with local conditions and requirements, discounted to the balance sheet date at a pre-tax rate reflecting the time value of money and risks specific to the liability. A finance cost is recognised in the profit and loss account as the discount factor unwinds.

A corresponding tangible fixed asset is also created of an amount equal to the provision. This is subsequently depreciated on a straight line basis over 27 years in line with other wind farm assets. Any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the fixed asset.

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### **1. ACCOUNTING POLICIES (CONTINUED)**

##### *Revenue recognition*

Revenue is measured at the fair value of consideration received or receivable and is derived from the Company's principal activity which is the generation of electricity from wind turbines.

This is derived from the sale of electricity under a power purchase agreement (PPA) with Danske Commodities AS and Statkraft Markets GmbH, and from a contract for difference (CfD) contract with Low Carbon Contract Company (LCCC). Under this contract, Dudgeon Offshore Wind Limited is guaranteed a pre-agreed price for electricity generated under the scheme for a period of 15 years. Under the CfD, income is received when power prices are below the strike price. Where power prices are above the strike price, a rebate is due and this is netted against income.

Revenue is recognised at the date of production. Any revenue which has been recognised but not yet invoiced is shown as accrued income on the balance sheet.

#### **2. STAFF COSTS**

There were no staff costs for the years ended 31 December 2021 and 31 December 2020.

The Company has no employees. The directors did not receive, nor were due, any remuneration in respect of their services to the Company in either year.

#### **3. TURNOVER**

Turnover is in relation to income from the generation of wind-powered electricity, and is stated net of VAT.

##### **TURNOVER BY ACTIVITY**

	<b>2021</b>	2020
	£'000	£'000
Sale of electricity under PPA	151,966	50,818
Net income from CFD	96,510	241,709
Other sales	703	5,599
	<hr/> <b>249,179</b>	<hr/> 298,126
	<hr/>	<hr/>

##### **TURNOVER BY GEOGRAPHICAL REGION**

	<b>2021</b>	2020
	£'000	£'000
Rest of Europe	152,669	56,218
United Kingdom	96,510	241,908
	<hr/> <b>249,179</b>	<hr/> 298,126
	<hr/>	<hr/>

# Dudgeon Offshore Wind Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

### 4. OPERATING PROFIT

The operating profit is stated after charging / (crediting):

	2021 £'000	2020 £'000
Auditor's remuneration - audit	43	43
Foreign exchange (gains) / losses	(31)	80
Depreciation	54,659	53,985
Operating lease expenditure	10,077	12,389
	<hr/>	<hr/>

### 5a. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021 £'000	2020 £'000
Interest receivable from group companies	5,315	7,331
Bank interest receivable	-	179
	<hr/>	<hr/>
	5,315	7,510
	<hr/>	<hr/>

### 5b. INTEREST PAYABLE AND SIMILAR CHARGES

	2021 £'000	2020 £'000
Bank and similar charges	23	76
Amortisation of facility fees	851	853
Interest on long term loans and bonds	23,115	26,432
Interest on derivatives	5,411	3,915
Finance cost on unwinding of discount factor on long term liabilities	9,006	8,887
Other interest charges	11	-
	<hr/>	<hr/>
	38,417	40,163
	<hr/>	<hr/>

### 6. TAX

a) Tax on profit:

	2021 £'000	2020 £'000
<i>Current tax:</i>		
Corporation tax on profit for the period at 19% (2020: 19%)	24,785	30,882
Prior year adjustment	(63)	2,119
Total current tax	<hr/>	<hr/>
	24,722	33,001
<i>Deferred tax:</i>		
Current year movement	2,052	3,902
Recognition of prior year deferred tax relating to future changes in Corporation tax	6,159	(1,901)
Total deferred tax	<hr/>	<hr/>
	8,211	2,001
Total tax charge (note 6b)	<hr/>	<hr/>
	32,933	35,002
	<hr/>	<hr/>

## Dudgeon Offshore Wind Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### 6. TAX (CONTINUED)

##### b) Factors affecting current tax charge:

The tax assessed on the profit for the year is higher than the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are reconciled below:

	2021 £'000	2020 £'000
Profit before taxation	<b>134,363</b>	169,090
Profit multiplied by standard rate of Corporation tax in the UK of 19% (2020: 19%)	<b>25,529</b>	32,127
Disallowable decommissioning costs	982	990
Corporation tax rate changes	496	1,839
Other permanent difference	(170)	(172)
Recognition of prior year deferred tax relating to future changes in Corporation tax	6,159	(1,901)
Prior year adjustment to current tax	(63)	2,119
Total tax charge	<b>32,933</b>	35,002

##### c) Deferred tax:

Deferred tax is shown on the balance sheet within:

	2021 £'000	2020 £'000
Provisions	<b>(27,745)</b>	(19,534)

	2021 £'000	2020 £'000
The breakdown of deferred tax on the balance sheet is:		
Accelerated capital allowances	(25,250)	(17,620)
Capitalised interest	(9,128)	(7,351)
Deferred profit on disposal of transmission assets	6,633	5,437
	<b>(27,745)</b>	(19,534)

A deferred tax asset of £6,301k (2020: £3,808k) relating to decommissioning costs has not been recognised.

##### d) Factors that may affect future tax charges

An increase in the UK corporation tax rate from 19% to 25% (effective from 1 April 2023) was substantively enacted in May 2021. The impact of these changes has been charged to the profit and loss account during 2021.

Deferred tax has been recognised at the rate of tax at which the underlying temporary differences are expected to reverse.

## Dudgeon Offshore Wind Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### 7. TANGIBLE FIXED ASSETS

	Capitalised decommissioning costs	Leased transmission assets	Wind farm assets	Total
	£'000	£'000	£'000	£'000
<b>COST</b>				
At 1 January 2021				
At 1 January 2021	116,140	297,927	967,654	1,381,721
Additions	-	-	4	4
Movements due to change in assumptions (note 12)	(12,548)	-	-	(12,548)
<b>At 31 December 2021</b>	<b>103,592</b>	<b>297,927</b>	<b>967,658</b>	<b>1,369,177</b>
	=====	=====	=====	=====
<b>DEPRECIATION</b>				
At 1 January 2021	11,863	31,697	125,813	169,373
Charge in year	3,907	14,929	35,823	54,659
<b>At 31 December 2021</b>	<b>15,770</b>	<b>46,626</b>	<b>161,636</b>	<b>224,032</b>
	=====	=====	=====	=====
<b>NET BOOK VALUE</b>				
<b>At 31 December 2021</b>	<b>87,822</b>	<b>251,301</b>	<b>806,022</b>	<b>1,145,145</b>
	=====	=====	=====	=====
At 31 December 2020	104,277	266,230	841,841	1,212,348
	=====	=====	=====	=====

The aggregate amount of capitalised interest to 31 December 2021 was £44,540k (2020: £44,540k). Further capitalisation of interest ceased over the period of commencement of generation.

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### 8. DEBTORS

	2021 £'000	2020 £'000
Trade debtors – external	-	8,961
Trade debtors – related parties	276	2,260
Prepayments and accrued income	<b>64,502</b>	30,797
Corporation tax	4,332	451
VAT recoverable	958	563
Other debtors	181	2,216
Loan to parent company (due after more than one year)	<b>306,457</b>	341,165
	<hr/>	<hr/>
	<b>376,706</b>	386,413
	<hr/>	<hr/>

#### 9. CREDITORS: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	2,787	97
Amount owed to parent company	4,131	57
Loans – net of unamortised set up costs	72,707	70,141
Bonds	10,590	12,496
Accruals and deferred income	28,912	30,358
Deferred profit on disposal	3,023	3,022
Amounts owed to related parties	1,453	110
Other financial liabilities (see note 10)	3,279	16,842
Long term lease on transmission assets (See note 17)	9,682	9,649
	<hr/>	<hr/>
	<b>136,564</b>	142,772
	<hr/>	<hr/>

#### 10. OTHER FINANCIAL LIABILITIES

	2021 £'000	2020 £'000
Fair value of interest rate swaps with third parties	3,279	16,842
	<hr/>	<hr/>

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### 11. CREDITORS: amounts falling due after more than one year

	2021 £'000	2020 £'000
Loans – net of unamortised set up costs	<b>304,660</b>	351,519
Bonds	<b>659,404</b>	669,994
Deferred profit on disposal	<b>47,967</b>	50,990
Long term lease on transmission assets (See note 17)	<b>259,338</b>	268,448
	<b>1,271,369</b>	1,340,951

Following the completion of construction, the company had a legal obligation to sell the transmission assets at cost to the Offshore Transmission Owner (OFTO). The sale was accounted for as a sale and leaseback arrangement with the profit on sale being released to the profit and loss account over the 20 year life of the lease.

In December 2018, the Company issued £706,000k Guaranteed Senior Secured PP Notes (PP Notes).

Details of the PP Notes as follows:

Facility Start Date:	18 December 2018
Facility End Date:	15 June 2032
Interest Rate:	2.74%
Repayment:	The PP Notes are being repaid in half yearly instalments which started in June 2019 and end on 15 June 2026

In December 2018, the Group entered into a Commercial Facilities Agreement, made up of a Term Loan Facility (TLF), a Debt Service Reserve Facility (DSRF) and a Revolving Working Capital Facility (RWCF) with a consortium of institutions. According to the terms of the agreement, the Company can borrow a total amount up to £558,000k on the TLF, up to £61,000k on the DSRF and up to £83,400k on the RWCF from its lenders. The amounts outstanding at 31 December 2021 were; TLF £356,785k (2020: £426,926k); RWCF £25,000k (2020: £nil); DSRF £nil (2020: £nil).

Details of the Commercial Facilities Agreement are as follows:

Facility Start Date:	18 December 2018
Facility End Date:	TLF: 15 June 2026 DSRF: 15 June 2032 RWCF: 15 June 2032
Interest Rate:	The aggregate of: (i) The Margin; and (ii) LIBOR, provided that, if the aggregate of the two is less than zero, the rate of interest shall be deemed to be zero.

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### 11. CREDITORS: amounts falling due after more than one year

- Margin:
- (a) for the TLF:
    - (i) from the date of the agreement up to (and including) 15 December 2024: 0.9%
    - (ii) from 16 December 2024: 1.1%
  - (b) for the DSRF:
    - (i) from the date of the agreement up to (and including) 15 December 2024: 0.9%
    - (ii) from 16 December 2024 up to (and including) 15 June 2026: 1.1%
    - (iii) from 16 June 2026 up to (and including) 15 December 2029: 1.3%
    - (iv) from 16 December 2029: 1.4%
  - (b) for the RWCF:
    - (i) from the date of the agreement up to (and including) 15 December 2024: 0.9%
    - (ii) from 16 December 2024 up to (and including) 15 June 2026: 1.1%
    - (iii) from 16 June 2026 up to (and including) 15 December 2029: 1.3%
    - (iv) from 16 December 2029: 1.4%
- Repayment:
- The TLF will be repaid in half yearly instalments starting in June 2019 and ending on 15 June 2026.  
In the event of the group drawing down on the DSR or RWC facilities, the repayment terms will be specified at the time of drawdown. All outstanding amounts under these facilities shall be repaid in full on 15 June 2032.

The lender has fixed and floating charges over the assets of the company.

## Dudgeon Offshore Wind Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### 12. PROVISIONS

	Deferred tax liability	Decommissioning provision	Total
	£'000	£'000	£'000
At 1 January 2021	19,534	124,316	143,850
Movement in the year (see note 6)	8,211	-	8,211
Finance charge	-	1,260	1,260
Revision of discount factor	-	(12,548)	(12,548)
<b>At 31 December 2021</b>	<b>27,745</b>	<b>113,028</b>	<b>140,773</b>

The decommissioning provision is the present value of costs expected to be incurred in decommissioning the wind farm at the end of its 27 year life. This provision is based on estimates of costs which will not be incurred for over 20 years and therefore there is a risk that these cost estimates are not accurate. The costs are then discounted back to present value at a pre-tax rate of 1.2% (2020: 0.689%) that reflects current market assessments of the time value of money and risks specific to the liability. As the discount factor varies, adjustments are made to the present value of the liability.

The provisions are due as follows:

Amounts due in less than one year

	2021 £'000	2020 £'000
Deferred tax	14	14
Amounts due in more than one year		
	2021 £'000	2020 £'000
Deferred tax	27,731	19,520
Decommissioning provision	113,028	124,316
	<b>140,759</b>	<b>143,836</b>

#### 13. SHARE CAPITAL

	Ordinary shares
	£'000
At 1 January and at 31 December 2021 - 188,300,000 ordinary shares of £0.000001	-

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### 14. RELATED PARTIES

During the year, the Company entered into transactions, in the ordinary course of business, with related parties. Transactions entered into and balances outstanding at 31 December are as follows:

	Purchases from related party	Sales to related parties	Amounts owed by related party	Amounts owed to related party
	£'000	£'000	£'000	£'000
Equinor ASA				
-2021	<b>1,008</b>	—	—	—
-2020	1,001	—	—	51
Danske Commodities AS				
-2021	—	<b>105,564</b>	—	—
-2020	—	34,912	2,188	—
Equinor UK Limited				
-2021	<b>6,885</b>	—	<b>166</b>	<b>1,687</b>
-2020	6,432	1	71	60
Equinor Production UK Limited				
-2021	<b>148</b>	—	—	—
-2020	150	—	—	—
Hywind (Scotland) Limited				
-2021	—	<b>100</b>	<b>14</b>	—
-2020	—	126	1	—
Scira Offshore Energy Limited				
-2021	—	<b>389</b>	<b>139</b>	—
-2020	8	—	—	—

Dudgeon Offshore Wind Limited is a wholly owned subsidiary of Dudgeon Holdings Limited, which is a joint venture owned by Equinor New Energy Limited (35%), CRC New Energy (UK) Limited (30%) and Masdar Offshore Wind UK Limited (35%).

Danske Commodities AS, Equinor UK Limited, Equinor Energy AS, Equinor Production UK Limited and Equinor New Energy Limited are all 100% owned subsidiaries of Equinor ASA.

Equinor New Energy Limited owns 75% of the issued share capital of Hywind (Scotland) Limited. Equinor New Energy Limited owns 40% of the issued share capital of Scira Offshore Energy Limited.

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### **15. ESTIMATES AND JUDGEMENTS**

##### *Provisions*

The timing and amounts of future cash flows are subject to significant uncertainty and estimation is required in determining the amounts of provisions to be recognised.

Any changes in the expected future costs are reflected in both the decommissioning liability and the asset.

Changing the assumptions selected by management, in particular the cost estimate, timing and discount rate used in the present value calculation, could significantly affect the valuation of decommissioning assets and liabilities.

#### **16. CAPITAL COMMITMENTS**

The Company had no specific commitments contracted for but not provided in the financial statements at 31 December 2021 (31 December 2020 : £nil.)

#### **17. LEASE COMMITMENTS**

Non-cancellable operating lease rentals are payable as follows:

	2021 £'000	2020 £'000
Amounts falling due in less than one year	6,887	7,506
Amounts falling due between one and five years	24,043	4,176
Amounts falling due after more than five years	5,419	5,948
	<hr/> <b>36,349</b>	<hr/> 17,630

During the year ended 31 December 2021 £10,077k was recognised as an expense in the profit and loss account in respect of operating leases (2020 : £12,389k).

Non-cancellable minimum lease payments on finance leases are payable as follows:

	2021 £'000	2020 £'000
Amounts falling due in less than one year	9,682	9,649
Amounts falling due between one and five years	45,116	44,549
Amounts falling due after more than five years	214,222	223,899
	<hr/> <b>269,020</b>	<hr/> 278,097

## Dudgeon Offshore Wind Limited

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) at 31 December 2021

#### **18. ULTIMATE CONTROLLING PARTY**

Dudgeon Offshore Wind Limited is a wholly owned subsidiary of Dudgeon Holdings Limited, which is a joint venture owned by Equinor New Energy Limited (35%), CRC New Energy (UK) Limited (30%) and Masdar Offshore Wind UK Limited (35%).

Equinor New Energy Limited is a wholly owned subsidiary of Equinor ASA.

CRC New Energy (UK) Limited is a subsidiary of China Resources (Holdings) Company Limited.

Masdar Offshore Wind UK Limited is a wholly owned subsidiary of Mubadala Investment Company PJSC which is wholly owned by the Government of Abu Dhabi.