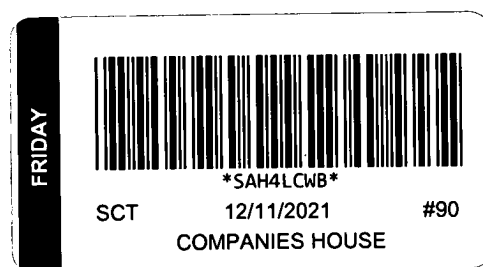


Registration number: 07294599

Marr Bank Wind Limited

Directors report and Financial Statements

for the Year Ended 31 March 2021



Marr Bank Wind Limited

Contents

Company Information	1
Strategic Report	2
Directors' Report	3 to 4
Statement of Directors' Responsibilities	5
Independent Auditor's Report	6 to 8
Profit and Loss Account	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 to 19

Marr Bank Wind Limited

Company Information

Directors Paul Gerald Cooley
John Anthony Downes
Elaine Harley
Alexander Hughes Honeyman
Barry O'Regan
James Isaac Smith
Jeremy Williamson

Company secretary Bernard Michael O'Connor

Registered office No.1 Forbury Place
43 Forbury Road
Reading
United Kingdom
RG1 3JH

Auditors Ernst & Young LLP
G1 Building
5 George Square
Glasgow
United Kingdom
G2 1DY

Registered number 07294599

Marr Bank Wind Limited

Strategic Report for the Year Ended 31 March 2021

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

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

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

Fair review of the business

Located in the North Sea, in the outer Firth of Forth, Marr Bank is part of a wider offshore development which could achieve 4.1GW of installed capacity.

Marr Bank Wind Farm is in the early stages of development by SSE Renewables. The proposal is approximately 40km off the coast of East Lothian, close to the already consented Seagreen development being developed by SSE Renewables and Total.

SSE Renewables, headquartered in Perth, is a leading developer and operator of renewable energy, with a portfolio of around 4GW of offshore wind, onshore wind and hydro-power across the UK & Ireland. SSE Renewables has a proven track record of delivering offshore wind projects that bring benefits to the local economy and across the UK.

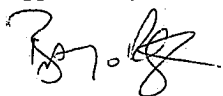
Financial performance

The company does not generate any revenue and the directors assess financial performance by careful review of the intangible assets in the business. The intangible asset represents the value of the development as it is stewarded through the development process. The value of intangible assets at 31 March 2021 were £13.6m (2020: £nil).

Principal risks and uncertainties

The principal risk facing the Company is that Marr Bank Offshore Wind Farm will not progress to final investment decision and will not be developed to completion.

Approved by the Board on 5 November 2021 and signed on its behalf by:



.....
Barry O'Regan
Director

Marr Bank Wind Limited

Directors' Report for the Year Ended 31 March 2021

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

Directors' of the company

The directors, who held office during the year, were as follows:

Paul Gerald Cooley

John Anthony Downes (appointed 31 December 2020)

Elaine Harley (appointed 31 December 2020)

Alexander Hughes Honeyman (appointed 31 December 2020)

Barry O'Regan (appointed 31 December 2020)

James Isaac Smith (appointed 31 December 2020)

Jeremy Williamson (appointed 31 December 2020)

Finlay Alexander McCutcheon (ceased 31 December 2020)

Principal activity

The principal activity of the company is the development of the Marr Bank offshore wind site as part of a wider development in the North Sea, in the outer Firth of Forth.

Dividends

The directors do not recommend payment of a dividend (2020: £nil) be made in respect of the financial year ended 31 March 2021.

Political donations

During the year the company made no political donations (2020 £nil).

Going concern

The financial statements are prepared on a Going Concern basis which has been supported by the provision of a parental letter of support from SSE plc. The Group letter of support confirms it will provide support until December 2022 where required. The Directors are satisfied that the Group has the ability to provide this support, should it be required.

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

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

Marr Bank Wind Limited

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

Assessing the impact of coronavirus

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

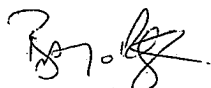
Disclosure of information to the auditors

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

Appointment of auditors

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

Approved by the Board on 5 November 2021 and signed on its behalf by:



.....
Barry O'Regan
Director

Marr Bank Wind Limited

Statement of Directors' Responsibilities

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


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

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

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group and company financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the company will not continue in business.

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

Approved by the Board on 5 November 2021 and signed on its behalf by:



.....
Barry O'Regan
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARR BANK WIND LIMITED

Opinion

We have audited the financial statements of Marr Bank Wind Limited for the year ended 31 March 2021 which comprise Profit and Loss Account, Balance Sheet and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

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

Conclusions relating to going concern

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

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

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

Other information

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

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the

course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Our approach was as follows:

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state 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.

Ernst & Young LLP.

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

9 November 2021

Marr Bank Wind Limited

Profit and Loss Account for the Year Ended 31 March 2021

	Note	2021 £ 000	2020 £ 000
Turnover		-	-
Operating profit/(loss)		-	-
Profit/(loss) before tax		-	-
Profit/(loss) for the year		-	-

The above results were derived from continuing operations.

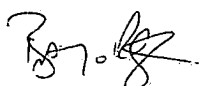
The company had no other comprehensive income in the current or prior financial years

Marr Bank Wind Limited

(Registration number: 07294599)
Balance Sheet as at 31 March 2021

	Note	31 March 2021 £ 000	31 March 2020 £ 000
Fixed assets			
Intangible assets	7	13,575	-
Current assets			
Debtors	8	1	-
Cash at bank and in hand	9	874	-
Tax asset	6	7	-
		882	-
Current liabilities			
Creditors: amounts falling due within one year	10	(1,094)	-
Net current liabilities		(212)	-
Total assets less current liabilities		13,363.00	0.00
Creditors: Amounts falling due after more than one year			
Amounts due to related parties	10	(13,356)	-
Deferred tax liabilities	6	(7)	-
		(13,363)	-
Net assets/(liabilities)		-	-
Capital and reserves			
Shareholders' funds/(deficit)		-	-

Approved by the Board on 5 November 2021 and signed on its behalf by:



Barry O'Regan
Director

The notes on pages 12 to 19 form an integral part of these financial statements.

Marr Bank Wind Limited

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

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 April 2020	-	-	-
Profit/(loss) for the year	-	-	-
At 31 March 2021	-	-	-
	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 April 2019	-	-	-
Profit/(loss) for the year	-	-	-
At 31 March 2020	-	-	-

The notes on pages 12 to 19 form an integral part of these financial statements.

Marr Bank Wind Limited

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

1 General information

The company is a private company limited by share capital, incorporated and domiciled in United Kingdom. These financial statements were authorised for issue by the Board on 5 November 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

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

Summary of disclosure exemptions

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

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

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

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

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

Marr Bank Wind Limited

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

2 Accounting policies (continued)

Consolidated accounts

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

Going concern

The financial statements are prepared on a Going Concern basis which has been supported by the provision of a parental letter of support from SSE plc. The Group letter of support confirms it will provide support until December 2022 where required. The Directors are satisfied that the Group has the ability to provide this support, should it be required.

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

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

Foreign currency transactions and balances

The financial statements are presented in pound sterling, the functional currency of the company. Any contracts executed in foreign currency are translated to pound sterling. Monetary assets and/or liabilities denominated in foreign currency are translated at the balance sheet date, or where appropriate, the rates achieved from forward exchange contracts.

Tax

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Marr Bank Wind Limited

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

2 Accounting policies (continued)

Development assets

Expenditure on development activities is capitalised as intangible assets if the project or process is considered to be technically and commercially feasible and the company intends to complete the project or process for use or for sale. Development projects include wind farm developments, thermal generation and gas storage projects, prospective gas production assets and other developments relating to proven technologies. Costs incurred in bringing these projects to the consent stage include options over land rights, planning application costs and environmental impact studies and may be costs incurred directly or part of the fair value exercise on acquisition of an interest in a project. At the point that the project reaches the consent stage and is approved by the Board, the carrying value of the project is transferred to property, plant and equipment as assets under construction. Once in operation, depreciation will be charged over the expected useful life of the asset. The asset is derecognised on disposal, or when no future economic benefits are expected to arise

Impairment

The carrying amount of the company's PP&E and other intangible assets and the company's investments in joint ventures and associates, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, or where there are indications that a previously recognised impairment loss has reduced. For PP&E assets that have previously been identified as exhibiting indications of impairment, the review of impairment will be performed annually until there is sufficient evidence to confirm that any potential impairment loss has been appropriately recognised, or until previously recognised impairment losses have been fully written back. For goodwill and other intangible assets with an indefinite life or which are not yet ready for use, the test for impairment is carried out annually. In addition, financial assets measured at amortised cost are also reviewed for impairment annually.

For assets subject to impairment testing, the asset's carrying value is compared to the asset's recoverable amount. The recoverable amount is determined to be the higher of the fair value less costs to sell (FVLCS) and the value-in-use (VIU) of the asset. For financial assets measured at amortised cost the impairment is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

If the carrying amount of the asset exceeds its recoverable amount, an impairment charge will be recognised immediately in the income statement. Reversals of previous impairment charges are recognised if the recoverable amount of the asset significantly exceeds the carrying amount. Previous impairments of goodwill are not reversed.

Value in use (VIU) calculations require the estimation of future cash flows to be derived from the respective assets and the selection of an appropriate discount rate in order to calculate their present value. The VIU methodology is consistent with the approach taken by management to evaluate economic value and is deemed to be the most appropriate for reviews of PP&E assets. The methodology is based on the pre-tax cash flows arising from the specific assets or underlying assets, and discounted using a pre-tax discount rate based on the company's cost of funding and adjusted for any specific risks. The estimation of the timing and value of underlying projected cash flows and the selection of appropriate discount rates involves management judgement. Subsequent changes to these estimates or judgements may impact the carrying value of the assets.

The fair value less costs to sell methodology also uses a present value technique, unless there is a quoted price in an active market for that asset. The methodology is based on the post-tax cash flows arising from the specific assets or underlying assets, and discounted using a post-tax discount rate determined in the same manner as the rates used in the VIU calculations, adjusted for the relevant taxation rate.

Marr Bank Wind Limited

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

2 Accounting policies (continued)

Cash and cash equivalents

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

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as fixed assets.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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 gas production facilities at the end of the producing lives of fields, and gas storage facilities, offshore wind farms and power stations at the end of the useful life of the facilities. The estimates are based on technology and prices at the balance sheet date and excludes any salvage value related to those assets. A corresponding decommissioning asset, including any residual scrap proceeds expected, 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 or, for gas production facilities, is amortised on the unit of production method.

Share capital

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

Marr Bank Wind Limited

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

3 Directors' remuneration

The total remuneration received by the directors for qualifying and non-qualifying services during the year was £1.7m (2020: £nil). The above value is for 8 directors (2020: 2), who were remunerated via another Group company in the year. A value of services to the Company for these directors cannot be determined, therefore the above value reflects the remunerations received for services to the SSE Group as a whole.

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid director was £561k (2020: £nil) including company pension contributions of £54k (2020: £nil) which were made to a money purchase scheme on their behalf.

4 Interest payable and similar expenses

	2021 £ 000	2020 £ 000
Interest payable to Group companies	39	-
Interest capitalised	(39)	-
	<u>-</u>	<u>-</u>

5 Auditors' remuneration

The company incurred an audit fee of £15,000 in the year (2020: £nil). The fee in both the current and previous year was borne by another group company.

6 Income tax

Tax charged/(credited) in the profit and loss account

	2021 £ 000	2020 £ 000
Current taxation		
UK corporation tax	(7)	-
Deferred taxation		
Arising from origination and reversal of temporary differences	7	-
Tax expense/(receipt) in the profit and loss account	<u>-</u>	<u>-</u>

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

The differences are reconciled below:

Marr Bank Wind Limited

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

6 Income tax (continued)

	2021 £ 000	2020 £ 000
Profit/(loss) before tax	-	-
Corporation tax at standard rate of 19% (2020: 19%)	-	-
Total tax charge/(credit)	-	-

The Government announced in the budget on 3 March 2021 that the main rate of Corporation Tax will increase to 25% for the financial year beginning 1 April 2023. Prior to this date, the rate of corporation tax will remain at 19%. The 25% rate was not substantively enacted at 31 March 2021, therefore the Company has continued to measure deferred tax balances at 19%. The Company has estimated that the increase to 25% would increase the Company's deferred tax liabilities by £1k.

Deferred tax

Deferred tax movement during the year:

	At 1 April 2020 £ 000	Recognised in income £ 000	At 31 March 2021 £ 000
Non-current assets	-	7	7

Marr Bank Wind Limited

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

7 Intangible assets

	Development assets £ 000	Total £ 000
Cost or valuation		
Additions	13,575	13,575
At 31 March 2021	13,575	13,575
Amortisation		
Carrying amount		
At 31 March 2021	13,575	13,575

8 Trade and other debtors

	31 March 2021 £ 000	31 March 2020 £ 000
Other debtors	1	-
	1	-

9 Cash at bank and in hand

	31 March 2021 £ 000	31 March 2020 £ 000
Cash at bank	874	-

10 Creditors

Amounts falling due within one year

	31 March 2021 £ 000	31 March 2020 £ 000
Trade creditors	1,094	-

Amounts falling due after more than one year

	31 March 2021 £ 000	31 March 2020 £ 000
Amounts due to related parties	13,356	-

Marr Bank Wind Limited

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

10 Creditors (continued)

The amounts disclosed as due to related parties and falling due after more than one year are in respect of amounts advanced to the Company by its immediate parent Marr Bank Wind Holdings Limited. There is no fixed repayment term for the amounts disclosed as due to related parties and it has been confirmed by Marr Bank Wind Holdings Limited that the amounts will not be called upon within the next twelve months.

11 Share capital

Allotted, called up and fully paid shares

	31 March 2021		31 March 2020	
	No.	£	No.	£
Ordinary Shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

The authorised share capital of the Company is £100 (2020: £100).

12 Parent and ultimate parent undertaking

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is SSE plc, incorporated in Scotland. The consolidated financial statements of the Group (which include the Company) are available from the Company Secretary, SSE plc, Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ or by accessing the parent company's website at www.sse.com.