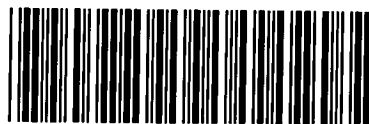


OPW Midco Limited
Annual report and financial statements
Registered number 07372936
31 December 2017

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28/09/2018
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Strategic Report

The directors present their strategic report and financial statements for the year ended 31 December 2017.

Business review

The company did not trade during the period and continued to act as a holding company.

Principal risks and uncertainties

The company's activities expose it to a number of financial risks.

Credit risk

The company's credit risk is primarily attributable to recovery of its debtors, including amounts owed by group undertakings.

Liquidity risk

In order to maintain liquidity and ensure that sufficient funds are available to meet its financial commitments, the company relies on extensive cash flow forecasting.

The company uses the cash flow forecasts to ensure that both the principal and interest payments in respect of its debt position are covered by sufficient incoming cash flows.

Interest risk

The company's loan borrowings attract interest at a fixed rate of 12% per annum and the interest charge is accrued for repayment with the loan principal at the end of the term. The interest charge is covered by the receipt of dividends from the company's subsidiary, OPW Holdco Limited.

By order of the board



Adam Waddington
Director

Date: 29/9/2018

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2017.

Principal activity

The company's principal activity is the holding of an investment in a subsidiary undertaking, OPW Holdco Limited.

Results and proposed dividend

The profit for the year, after taxation, amounted to £nil (2016: £nil).

The directors do not recommend the payment of a dividend.

Directors

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

Mr C Herriott (resigned 21 August 2017)
Ms C B A van Heijningen (appointed 6 October 2017)
Mr A Waddington (appointed 4 September 2017)

Financial instruments

Details of the company's financial risk management objectives and policies, including its use of financial instruments and the key risks to which it is exposed, are included in the strategic report on page 1.

Political contributions

Neither the company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year.

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.

Directors' Report *(continued)*

Auditor

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

By order of the board

Adam Waddington
Director

Unit 2a, Century Mews
100A Church Road
Tiptree, Essex
CO5 0AB

Date:

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including 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 accounting 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 OPW Midco Limited

Opinion

We have audited the financial statements of OPW Midco Limited ("the company") for the year ended 31 December 2017 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of OPW Midco Limited

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

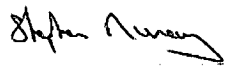
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent auditor's report to the members of OPW Midco Limited

The purpose of our audit work and to whom we owe our responsibilities

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.



Stephen Muncey (Senior Statutory Auditor)
for and on behalf of
KPMG LLP, Statutory Auditor
Chartered Accountants
Botanic House
100 Hills Road
Cambridge
CB2 1AR

Date: **28 September 2018**

**Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2017**

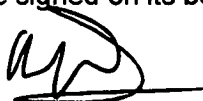
	<i>Note</i>	2017 £000	2016 £000
Income from shares in group undertakings	5	5,549	5,564
Interest payable and similar charges	6	(5,549)	(5,564)
Profit/(loss) on ordinary activities before taxation		<hr/> -	<hr/> -
Tax on profit/(loss) on ordinary activities	7	-	-
Profit/(loss) for the financial year		<hr/> - <hr/>	<hr/> - <hr/>
Other comprehensive income			
Other comprehensive income for the year net of income tax		<hr/> -	<hr/> -
Total comprehensive income for the year		<hr/> - <hr/>	<hr/> - <hr/>

The notes on pages 11 to 23 form part of the financial statements.

Balance Sheet
At 31 December 2017

	Note	2017 £000	2016 £000
Fixed assets			
Investments	8	61,652	61,652
Current assets			
Debtors	9	1,399	2,481
Creditors: amounts falling due within one year	10	(1,479)	(2,561)
Net current liabilities		(80)	(80)
Total assets less current liabilities		61,572	61,572
Creditors: amounts falling due after more than one year	11	(46,239)	(46,239)
Net assets		15,333	15,333
Capital and reserves			
Called up share capital	15	15,413	15,413
Profit and loss account		(80)	(80)
Shareholders' funds		15,333	15,333

These financial statements were approved by the board of directors on 28/9/2018 and were signed on its behalf by:



Adam Waddington
Director

Company registered number: 07372936

The notes on pages 11 to 23 form part of the financial statements.

Statement of Changes in Equity

	Called up Share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2016	15,413	(80)	15,333
Total comprehensive income for the period	-	-	-
Balance at 31 December 2016	15,413	(80)	15,333

	Called up Share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2017	15,413	(80)	15,333
Total comprehensive income for the period	-	-	-
Balance at 31 December 2017	15,413	(80)	15,333
Set aside for dividends declared after the reporting period		-	-
Total		(80)	15,333

The notes on pages 11 to 23 form part of the financial statements.

Notes (forming part of the financial statements)

1 Accounting policies

OPW Midco Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the UK. The address of the registered office is Unit 2a, Century Mews, 100A Church Road, Tiptree, Essex, CO5 0AB.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014, Companies Act and FRC Abstracts. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The directors reserve the right to voluntarily amend the financial statements if they prove to be defective in accordance with section 454 of the Companies Act 2006.

The Company's parent undertaking, OPW Topco Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of OPW Topco Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ. 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:

- Cash Flow Statement and related notes;

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

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements, and estimates with a significant risk of material adjustment in the next year, are discussed in note 20.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

At the year end the company had net current liabilities of £80,000 (2016: £80,000) and net assets of £15,333,000 (2016: £15,333,000). The financial forecasts prepared by the directors show that the company has the capacity to meet its obligations as scheduled for at least 12 months from the date of signature of these financial statements. The directors, therefore, consider it appropriate to prepare the financial statements on the going concern basis.

Notes (continued)

1 Accounting policies (continued)

1.3 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. 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, less any impairment losses in the case of trade debtors. 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 the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in subsidiaries

These are separate financial statements of the company.

Investments in subsidiaries are carried at cost less impairment.

Notes (continued)

1 Accounting policies (continued)

1.5 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Notes (continued)

1 Accounting policies (continued)

1.5 Impairment excluding stocks and deferred tax assets (continued)

Non-financial assets (continued)

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.6 Expenses

Interest receivable and Interest payable

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established.

1.7 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. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. 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 provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

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. Deferred tax balances are not discounted.

Notes (continued)

1 Accounting policies (continued)

1.7 Taxation (continued)

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.

2 Expenses and auditors' remuneration

Auditor's remuneration:

	2017 £000	2016 £000
Audit of these financial statements	5	5
	<hr/>	<hr/>

3 Staff numbers

The company has no employees (2016: nil).

4 Directors' remuneration

No Key Management Personnel received any remuneration from the group for their services during the year (2016: £nil).

5 Income from other fixed asset investments

	2017 £000	2016 £000
Other income from fixed asset investments	5,549	5,564
	<hr/> 5,549 <hr/>	<hr/> 5,564 <hr/>

Other income from fixed asset investments includes income from preference shares in group undertakings of £5,549,000 (2016: £5,564,000).

Notes (continued)

6 Interest payable and similar charges

	2017 £000	2016 £000
Interest payable on financial liabilities at amortised cost	5,549	5,564
	<u>5,549</u>	<u>5,564</u>

Interest payable and similar charges includes interest payable and similar on bank loans and overdrafts of £nil (2016: £nil) and on all other loans of £5,549,000 (2016: £5,564,000). Of the above charges £5,549,000 (2016: £5,564,000) was payable to group undertakings.

7 Taxation

Analysis of current tax recognised in profit and loss

	2017 £000	2016 £000
UK corporation tax	-	-
Total current tax recognised in profit and loss	<u>-</u>	<u>-</u>

Reconciliation of effective tax rate

	2017 £000	2016 £000
Profit/loss for the year	-	-
Total tax expense	<u>-</u>	<u>-</u>
Profit/loss excluding taxation	-	-
Tax using the average UK corporation tax rate of 19.25% (2016: 20.00%)	-	-
Tax exempt revenues	(1,068)	(1,110)
Non-deductible expenses	804	-
Under provided in prior years	-	240
Utilisation of tax losses	-	(240)
Group relief	264	117
Current year losses for which no deferred tax asset was recognised	-	993-
Total tax expense included in profit or loss	<u>-</u>	<u>-</u>

The main rate has been reduced to 20% for the financial years 2016 and 2017. It was also announced in the March 2017 budget that the main rate will reduce to 19% for financial years from 2017 and 17% for financial years from 2020.

Notes (continued)

8 Fixed asset investments

	Shares in group undertakings	
	2017	2016
	£000	£000
Net book value		
At 1 January	61,652	61,652
At 31 December	61,652	61,652

The Company has the following investments in subsidiaries:

	Country of incorporation	Class of shares held	Number of shares held		Percentage ownership	
			2017	2016	2017	2016
OPW Holdco Limited	UK	£1 Ordinary	15,412,987	15,412,987	100%	100%
OPW Holdco Limited	UK	£1 Preference	46,238,955	46,238,955	60%	60%
Aggregate of capital and reserves						
			2017	2016	(Loss)/profit for the year	
			£000	£000	2017	2016
					£000	£000
OPW Holdco Limited			35,386	22,117	13,269	(4,036)

The address of the registered office for OPW Holdco Limited is Unit 2a, Century Mews, 100A Church Road, Tiptree, Essex, CO5 0AB.

Notes (continued)

9 Debtors: amounts falling due within year

	2017 £000	2016 £000
Interest receivable	1,399	2,481
	<u>1,399</u>	<u>2,481</u>

10 Creditors: amounts falling due within one year

	2017 £000	2016 £000
Amounts owed to group undertakings	80	80
Interest payable	1,399	2,481
	<u>1,479</u>	<u>2,561</u>

11 Creditors: amounts falling due after one year

	2017 £000	2016 £000
Debenture loans (note 12)	46,239	46,239
	<u>46,239</u>	<u>46,239</u>

12 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2017 £000	2016 £000
Creditors falling due after five years		
Debenture loans	46,239	46,239
	<u>46,239</u>	<u>46,239</u>

Included within debenture loans are amounts repayable after five years by instalments and otherwise than by instalments of £nil (2016: £nil) and £46,239,000 (2016: £46,239,000) respectively.

Notes (continued)

12 Interest-bearing loans and borrowings (continued)

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity	Repayment schedule	2017 £000	2016 £000
Debenture loans	£	12%	2030	None	46,239	46,239
					<u>46,239</u>	<u>46,239</u>

13 Other financial liabilities

	2017 £000	2016 £000
Amounts falling due within one year		
Financial liabilities designated as fair value through profit or loss	-	-
Financial liabilities held for trading (including all derivatives)	-	-
Other financial liabilities measured at amortised cost	1,479	2,561
	<u>1,479</u>	<u>2,561</u>
Amounts falling due after one year		
Financial liabilities designated as fair value through profit or loss	-	-
Financial liabilities held for trading (including all derivatives)	-	-
Other financial liabilities measured at amortised cost	-	-
	<u>-</u>	<u>-</u>

14 Deferred tax assets and liabilities

The Company has unrecognised gross tax losses of £16,156,000 (2016: £16,156,000).

Notes (continued)

15 Capital and reserves

Share capital

	2017	2016
	£000	£000
<i>Issued, allotted, called up and fully paid</i>		
15,412,986 ordinary shares of £1 each	15,413	15,413
	<u>15,413</u>	<u>15,413</u>
Shares classified in shareholders' funds	15,413	15,413
	<u>15,413</u>	<u>15,413</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

No dividends have been proposed on ordinary share capital (2016: £nil).

16 Financial instruments

Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

	2017	2016
	£000	£000
Assets measured at amortised cost	1,399	2,481
Assets measured at cost less impairment	61,652	61,652
Liabilities measured at amortised cost	47,718	48,800
	<u></u>	<u></u>

Notes (continued)

17 Contingencies

On 22 December 2010 OPW Midco Limited entered in to a share charge security in favour of Dong Energy Power (UK) Limited as Security Trustee. The security created a charge over the ordinary and preference shares held by OPW Midco Limited in OPW Holdco Limited, as security for borrowings and liabilities pursuant to various shareholder and supplementary agreements entered into on 20 December 2010 when OPW Holdco Limited purchased its shares in Walney (UK) Offshore Windfarms Limited. The share charge security was assigned to Santander Bank PLC as Security Trustee on 15 December 2016 as part of the company's refinancing.

On 1 June 2011 OPW Midco Limited entered into an account charge in favour of Dong Energy Power (UK) Limited as Security Trustee. The security created a fixed charge over the preference share dividends receivable by OPW Midco Limited from OPW Holdco Limited, as security for borrowings and liabilities pursuant to various shareholder and supplementary agreements entered into on 20 December 2010 when OPW Holdco Limited purchased its shares in Walney (UK) Offshore Windfarms Limited.

18 Related parties

Identity of related parties with which the Company has transacted

During the year the company transacted with OPW Holdco Limited, a subsidiary of the company, and Stichting Depositary PGGM Infrastructure Funds, the company's ultimate controlling party.

Other related party transactions

	Preference dividends receivable		Other interest payable	
	2017	2016	2017	2016
	£000	£000	£000	£000
Stichting Depositary PGGM Infrastructure Funds	-	-	5,549	5,564
OPW Holdco Limited	5,549	5,564	-	-
	<u>5,564</u>	<u>5,549</u>	<u>5,564</u>	<u>5,549</u>

Notes (continued)

18 Related parties (continued)

Other related party transactions (continued)

	Debtors outstanding 2017 £000	2016 £000	Creditors outstanding 2017 £000	2016 £000
Stichting Depositary PGGM Infrastructure Funds	-	-	1,399	2,481
OPW Holdco Limited	1,399	2,481	80	80
	<u>1,399</u>	<u>2,481</u>	<u>1,479</u>	<u>2,561</u>

19 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of OPW Topco Limited. The parent company is Stichting Depositary PGGM Infrastructure Funds, the title holder of ultimate controlling party via PGGM Infrastructure Fund, a Dutch mutual fund for joint account ("fonds voor gemene rekening") established under Dutch law, with control and asset management activities being directed by PGGM Vermogensbeheer B.V. The business address is Noordweg Noord 150, 3704 JG Zeist, The Netherlands.

The largest group in which the results of the Company are consolidated is that headed by OPW Topco Limited, incorporated in the United Kingdom. No other group financial statements include the results of the Company. The consolidated financial statements of OPW Topco Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

The registered office of OPW Topco Limited is Unit 2A, Century Mews, 100A Church Road, Tiptree, Essex CO5 0AB.

20 Accounting estimates and judgements

In the process of applying the company's accounting policies, management necessarily makes judgements and estimates that have a significant impact on the values recognised in the financial statements. Changes in the assumptions underlying these judgements and estimates could result in a significant impact to the financial statements. The most critical of these accounting judgements and estimates are explained below.

Investment in subsidiary

The company's investment in its wholly owned subsidiary, OPW Holdco Limited, has been recognised at cost less accumulated impairment rather than fair value. This is on the basis that the principal activity of the company is that of an intermediate holding company and the directors are not judged based on the performance of the investment. There are no plans to sell the investment in the foreseeable future so the fair value will not be realised.

Notes *(continued)*

20 Accounting estimates and judgements *(continued)*

Impairment

In assessing impairment, judgement is required to establish whether there have been any indicators of impairment, either internal or external for all non-current assets.

The directors used discounted cash flow forecasts in order to estimate the market value of the company's investment in OPW Holdco Limited for the purposes of assessing whether the asset is impaired.

Amortised cost

The interest rate on the unsecured shareholder loan of 12% per annum has been deemed to be in line with commercial rates therefore no amortised cost adjustments have been made.

21 Subsequent Events

There have been no material post balance sheet events.