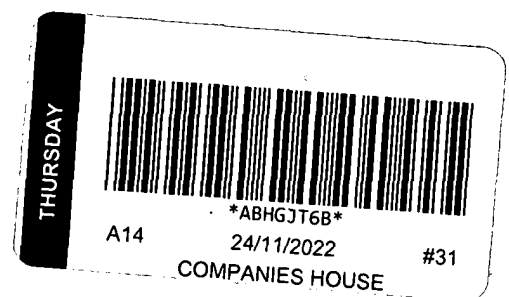


OPW Midco Limited
Annual Report and Financial Statements
Registered Number 07372936
31 December 2021



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Strategic Report

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

Business review

The profit for the year, after taxation, amounted to £173,000 (2020: £8,500,000). The company 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 covered by the receipt of dividends from the company's subsidiary, OPW Holdco Limited. If there is a shortfall, the interest is accrued for repayment with the loan principal at the end of the term.

Section 172(1) statement

The company long-term plan is the holding of its indirect investment in Walney (UK) Offshore Windfarms Limited. The directors review this long-term plan, to date no decision have been made to change the long-term plan.

Employees

The company does not have any employees. The directors use service providers for all operational activities.

The Board of Directors

The directors ensure that any service provider act in due care towards its employees while working for the company including complying to the company's safety requirements.

Shareholders

When making decisions the board considers how this will impact all shareholders and ensures no preference is given to any shareholder.

Suppliers

The company 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.

By order of the board on 14 November 2022.



Corine van Heijningen
Director

Directors' Report

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

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 £173,000 (2020: £8,500,000).

An interim ordinary dividend of £173,000 (2020: £8,420,000) was paid to the company's immediate parent undertaking OPW Topco Limited, during the year.

The directors do not recommend the payment of a final ordinary dividend.

Directors

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

Ms C B M van Heijningen
Mr S J Read

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors which remain in force at the date of this report.

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.



Corine van Heijningen
Director

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

14 November 2022

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 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 2021 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 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *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.

Basic 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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries.

Independent Auditor's Report to the Members of OPW Midco Limited (Continued)

On this audit we do not believe there is a fraud risk related to revenue recognition because revenue streams were limited to dividend income and interest on preference shares, which were considered to be straightforward and not exposed to a risk of fraudulent revenue recognition.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Company-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries posted to unrelated accounts linked to cash and borrowings.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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 director's 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 (Continued)

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.*

We have nothing to report in these respects.

Directors' Responsibilities

As explained more fully in their 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; 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.

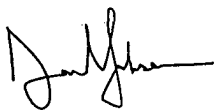
Auditor's Responsibilities

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.

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 auditors' 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.



David Johnson (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Botanic House, 100 Hills Road
Cambridge
CB2 1AR

Date: 18th November 2022

**Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2021**

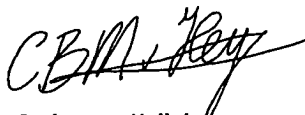
	Notes	2021 £000	2020 £000
Income from other fixed asset investments	5	5,722	14,049
Interest payable and similar charges	6	(5,549)	(5,549)
Profit on ordinary activities before taxation		173	8,500
Tax on profit on ordinary activities	7	-	-
Profit for the financial year		173	8,500
Other comprehensive income			
Other comprehensive income for the year net of income tax		-	-
Total comprehensive income for the year		173	8,500

The notes on pages 13 to 24 form part of the Financial Statements.

Balance Sheet
At 31 December 2021

	Notes	2021 £000	2020 £000
Fixed Assets			
Investments	8	61,652	61,652
Current Assets			
Debtors	9	3,812	80
Creditors: amounts falling due within one year	10	(3,812)	(80)
Net Current Assets		-	-
Total Assets less Current Liabilities		61,652	61,652
Creditors: amounts falling due after one year	11	(46,239)	(46,239)
Net Assets		15,413	15,413
Capital and Reserves			
Called up Share Capital	14	15,413	15,413
Profit and Loss Account		-	-
Shareholders' Funds		15,413	15,413

These Financial Statements were approved by the Board of Directors on 14 November 2022 and were signed on its behalf by:



Corine van Heijningen
Director

Company Registered Number: 07372936

The notes on pages 13 to 24 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 2020	15,413	(80)	15,333
Total comprehensive income for the period			
Profit or loss		8,500	8,500
Transactions with owners, recorded directly in equity			
Dividends paid	-	(8,420)	(8,420)
Balance at 31 December 2020	15,413	-	15,413

	Called up Share Capital £000	Profit and Loss Account £000	Total Equity £000
Balance at 1 January 2021	15,413	-	15,413
Total comprehensive income for the period			
Profit or loss	-	173	173
Transactions with owners, recorded directly in equity			
Dividends paid	-	(81)	(81)
Dividend in Specie *	-	(92)	(92)
Balance at 31 December 2021	15,413	-	15,413

*Please refer to note 5 for further details

The notes on pages 13 to 24 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 United Kingdom accounting standards, including FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (“FRS 102”) and the Companies Act 2006. 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.
- certain 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 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 19.

1.1 Measurement Convention

The financial statements are prepared on the historical cost basis.

1.2 Going Concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of severe but plausible downsides, the company will have sufficient funds to meet its liabilities as they fall due for that period. The directors in their assessment considered the fact that the company’s preference share payments are paid out only from available funds.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a 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.

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.

Notes (Continued)**1. Accounting Policies (Continued)****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.

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.

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.

1.8 Dividend income

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

2. Expenses and auditors' remuneration*Auditors' remuneration:*

	2021	2020
	£000	£000
Audit of these financial statements	<u>8</u>	<u>8</u>

Notes (Continued)**3. Staff numbers**

The company has no employees (2020: Nil).

4. Directors' remuneration

No key management personnel received any remuneration from the company for their services during the year (2020: £nil).

5. Income from other fixed asset investments

	2021	2020
	£000	£000
Other income from fixed asset investments	5,722	14,049
	<u>5,722</u>	<u>14,049</u>

Other income from fixed asset investments includes income from preference shares in group undertakings of £5,549,000 (2020: £5,549,000) and dividends from ordinary shares in group undertakings of £Nil (2020: £8,500,000) and dividends in specie from ordinary shares in group undertakings of £173,000 (2020: £Nil).

The dividend in specie receipt arises from a debt waiver from OPW Holdco Limited to OPW Midco Limited of £81,000, (2020: £nil) and to OPW Topco Limited, the company's immediate parent, of £92,000 (2020: £nil). The intercompany debt waiver to OPW Topco Limited also is reflected as a dividend in specie payment to equity holders.

6. Interest payable and similar charges

	2021	2020
	£000	£000
Interest payable on financial liabilities at amortised cost	5,549	5,549
	<u>5,549</u>	<u>5,549</u>

Interest payable and similar charges includes interest payable and similar on bank loans and overdrafts of £nil (2020: £nil) and on all other loans of £5,549,000 (2020: £5,549,000). Of the above charges £5,549,000 (2020: £5,549,000) was payable to group undertakings.

Notes (Continued)**7. Taxation***Analysis of current tax recognised in profit and loss*

	2021	2020
	£000	£000
UK Corporation tax	-	-
Total current tax recognised in profit and Loss	-	-

Reconciliation of effective tax rate

	2021	2020
	£000	£000
Profit for the year	173	8,500
Total tax expense	-	-
Profit excluding taxation	173	8,500
Tax using the average UK corporation tax rate of 19% (2020: 19%)	33	1,615
Tax exempt revenues	(1,087)	(2,669)
Deferred tax not recognised	1,054	1,054
Total tax expense included in profit or loss	-	-

The main rate of corporation tax in the year was 19% (2020: 19%). During the year legislation was enacted to increase the corporation tax rate from 19% to 25% with effect from 1 April 2023. Deferred tax assets and liabilities at 31 December 2021 have been calculated at 25% (2020: 19%), where recognised. Please see note 21 for subsequent events.

Notes (Continued)

8. Fixed asset investments

	Shares in group undertakings	
	2021 £000	2020 £000
Cost and net book value		
At 1 January 2021	61,652	61,652
At 31 December 2021	61,652	61,652

The company has the following investments in subsidiaries:

	Country of incorporation	Class of shares held	Number of shares held		Percentage of ownership	
			2021	2020	2021	2020
OPW Holdco Ltd	UK	£1 Ordinary	15,412,987	15,412,987	100%	100%
OPW Holdco Ltd	UK	£1 Preference	46,238,955	46,238,955	60%	60%

	Aggregate of capital and reserves		Loss for the year	
	2021 £000	2020 £000	2021 £000	2020 £000
OPW Holdco Ltd	15,940	18,911	(2,970)	(14,570)

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 one year

	2021	2020
	£000	£000
Amounts owed by group undertakings	3,812	80
	3,812	80

10. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Amounts owed to group undertakings	3,812	80
	3,812	80

11. Creditors: Amounts falling due after one year

	2021	2020
	£000	£000
Debenture loans (note. 12)	46,239	46,239
	46,239	46,239

12. Interest-bearing loans and borrowing

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

	2021	2020
	£000	£000
Creditors falling due after five years		
Debenture Loans	46,239	46,239
	46,239	46,239

Included within debenture loans are amounts repayable in 2030 of £46,239 (2020: £46,239).

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity	Repayment schedule	2021	2020
					£000	£000
Debenture loans	£	12%	2030	None	46,239	46,239

Notes (Continued)

13. Deferred tax assets and liabilities

The company has unrecognised gross tax losses of £16,156,170 (2020: £16,156,170) and an unrecognised gross corporate interest restriction of £26,375,379 (2020: £20,826,647).

14. Capital and reserves

Share capital	2021 £000	2020 £000
Issued, allotted, called up and fully paid 15,412,986 ordinary shares at £1 each	15,413	15,413
	<u>15,413</u>	<u>15,413</u>
Shares classified in shareholder' 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.

An interim dividend of £80,808 was voted during the year on ordinary share capital (2020: £8,420,000). In addition, a dividend in specie was deemed to have been made in the period of £92,000 (2020: £Nil).

The dividend in specie arises from a debt waiver from OPW Holdco Limited, the company's subsidiary undertaking, to OPW Topco Limited, the company's immediate parent, of £92,000 (2020: £nil).

Orsted Power (UK) Limited (formerly Dong Energy Power (UK) Limited) and OPW Topco Limited entered in to a call option on 20 December 2010 which grants Orsted Power (UK) Limited the right to purchase, at a prescribed price the OPW Holdco Limited preference shares held by PGGM, the OPW Midco Limited shares held by OPW Topco Limited and the PGGM shareholder loan to OPW Midco Limited in a six month period commencing 9 April 2031. No value has been assigned to the option in the financial statements.

Notes (Continued)

15. Financial instruments

	2021 £000	2020 £000
Assets measured at cost less impairment	61,652	61,652
Liabilities measured at amortised cost	<u>50,051</u>	<u>46,319</u>

16. Contingencies

On 22 December 2010 OPW Midco Limited entered into a share charge security in favour of Orsted Power (UK) Limited (formerly 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 Orsted Power (UK) Limited (formerly 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.

17. 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, OPW Topco Limited, the parent company and Stichting Depository PGGM Infrastructure Funds, the company's ultimate controlling party.

Other related party transactions

	Preference/ Ordinary dividends receivable/(paid)		Other interest payable	
	2021 £000	2020 £000	2021 £000	2020 £000
Stichting Depository PGGM Infrastructure Funds	-	-	5,549	5,549
OPW Topco Limited	(81)	(8,420)	-	-
OPW Holdco Limited	<u>5,630</u>	<u>14,049</u>	<u>-</u>	<u>-</u>
	<u>5,549</u>	<u>5,629</u>	<u>5,549</u>	<u>5,549</u>

Notes (Continued)**17. Related parties (Continued)***Other related party transactions (continued)*

	Debtors Outstanding		Creditors Outstanding	
	2021	2020	2021	2020
	£000	£000	£000	£000
Stichting Depositary PGGM Infrastructure Funds	-	-	46,239	46,239
OPW Topco Ltd	-	80	-	-
OPW Holdco Ltd	3,812	-	3,812	80
	<u>3,812</u>	<u>80</u>	<u>50,051</u>	<u>46,319</u>

18. 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.

Notes (Continued)**19. Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting estimates will by definition seldom equal the related actual results. It is not believed that there are any estimates and assumptions in preparing these accounts that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.