UK Green Investment Galloper Limited

Report and Audited Financial Statements

for the year ended 31 March 2018

Registered company number 09793796

CONTENTS

Company information

Board of directors

Richard Abel	(appointed on 17 August 2017)
Stephen Alan John Deely	(appointed on 17 August 2017)
Mark Jonathan Dooley	(appointed on 17 August 2017)
Gavin Bruce Merchant	(appointed on 17 August 2017)
Roberto Purcaro	(appointed on 17 August 2017)
David Paul Tilstone	(appointed on 17 August 2017)
Erin Kate Eisenberg	(appointed on 12 January 2018)
Gordon Ian Winston	(appointed on 12 January 2018)
Leigh Peter Harrison	(appointed on 17 August 2017, resigned 12 January 2018)
Anthony James Lamb	(appointed on 17 August 2017, resigned 23 December 2017)
Martin Langham	(appointed on 24 September 2015, resigned 3 February 2017)
Matthew Porter	(appointed on 3 February 2017, resigned 17 August 2017)
Nigel Gordon Slater	(appointed on 24 September 2015, resigned 17 August 2017)

Company secretary

Euan McVicar Forbes	(appointed on 24 September 2015, resigned on 17 August 2017)
Dominic Tan	(appointed 17 August 2017)

Alter Domus (UK) Limited (appointed 17 August 2017)
18 St. Swithin's Lane
London
United Kingdom, EC4N 8AD

Registered office

18 St. Swithin's Lane
London
United Kingdom, EC4N 8AD

Independent auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Company number

09793796

DIRECTORS' REPORT

The Directors of UK Green Investment Galloper Limited (the "Company") present their report and audited financial statements (the "the Report and financial statements") for the year ended 31 March 2018.

Incorporation

The Company was incorporated in England and Wales on 24 September 2015 as a private company limited by shares.

Principal activities

The principal activity of the Company is that of an investment holding company. The Company holds a 25% interest in Galloper Wind Farm Holding Company Limited ("Galloper", or "the Associate").

Financial risk management objectives and policies

The principal financial risks and uncertainties that the Company faces are credit risk and liquidity risk. These risks, and how the Company manages these risks are discussed on pages 19 to 20.

Directors and their interests

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Richard Abel	(appointed on 17 August 2017)
Stephen Alan John Deely	(appointed on 17 August 2017)
Mark Jonathan Dooley	(appointed on 17 August 2017)
Gavin Bruce Merchant	(appointed on 17 August 2017)
Roberto Purcaro	(appointed on 17 August 2017)
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DIRECTORS' REPORT - (continued)

Review of business

The Company's results are set out in the statement of comprehensive income on page 10.

Results and dividends

The Company's profit for the financial year amounts to £4,644,493.

None of the Directors have received any remuneration during the year (2017: none).

No dividends were declared or paid by the Company during the year end and the Directors do not propose a final dividend.

Business review

During the year the Company has incurred a profit before tax of £5,238,759. The statement of financial position on page 9 shows that the Company's financial position as at 31 March 2018 was a net assets of £4,243,396.

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group, comprising UK Green Investment Rampion Limited and its subsidiaries (the "Group"), and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company are discussed on page 4 of the Group's annual report, which does not form part of this report.

The Group's directors manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using the key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Group is discussed on page 4 of the Group's annual reports, which does not form part of this report.

Small companies exemption taken

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Employees

The Company had no employees during the year (2017: none).

Going concern

The Directors have made enquiries and having considered the current economic climate at the time of approving the financial statements, as well as the expected working capital requirements that the Company will have for the coming period, they have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further details regarding going concern can be found in note 2 to the financial statements.

The ultimate controlling entity UK Green Investment Rampion Limited has provided a letter of support from the ultimate shareholders that confirms that UK Green Investment Rampion Limited and its subsidiaries will be able to have adequate resources to continue as a going concern for the foreseeable future.

DIRECTORS' REPORT - (continued)

Statement of the Directors' responsibilties

The directors are responsible for preparing the Report and 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 the Directors have prepared the financial statements in accordance with International Financial Accounting Standards ("IFRS") as adopted by the European Union. 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 and loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;

- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;

- make judgements and accounting estimates that are reasonable and prudent; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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.

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.

DIRECTORS' REPORT - (continued)

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that:

- so far as each of the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and

- each Director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Relevant audit information is defined as information needed by the Company's auditors in connection with preparing their report.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. The directors shall propose a resolution to reappoint them subsequent to approval of the Financial Statements.

Signed for and on behalf of the Board

Director: RICHARD ABEL

Date: 5/12/18

Independent auditors' report to the members of UK Green Investment Galloper Limited

Report on the audit of the financial statements

Opinion

In our opinion, UK Green Investment Galloper Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Audited Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2018; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of the Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Peter Acloque

Peter Acloque (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
5 December 2018

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Non-current assets			
Investment	3	108,796,242	82,712,736
Total non-current assets		**108,796,242**	**82,712,736**
Total assets		**108,796,242**	**82,712,736**
Equity and liabilities			
Equity			
Share capital	4	1	1
Retained earnings		4,243,395	(401,098)
Total equity		**4,243,396**	**(401,097)**
Current liabilities			
Trade and other payables	5	1,022,700	401,098
Other financial liabilities	6	103,530,146	82,712,735
Total current liabilities		**104,552,846**	**83,113,833**
Total equity and liabilities		**108,796,242**	**82,712,736**

The notes on pages 12 to 21 form an integral part of these financial statements.

There were no cash movements during the year and therefore no statement of cash flows has been presented.

The financial statements on pages 9 to 21 were approved and authorised by the Directors of the Company on 5/12/18 and were signed on its behalf by:

Richard Abel

Director RICHARD ABEL

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	Note	Year ended 31 March 2018 £	Year ended 31 March 2017 £
Administrative expenses	7	(27,336)	-
Net operating loss		**(27,336)**	-
Finance income		5,502,824	2,005,491
Finance cost		(236,729)	(2,005,491)
Profit before tax		**5,238,759**	-
Tax expense	8	(594,266)	(401,098)
Profit / (loss) and total comprehensive profit / (loss) for the year		**4,644,493**	**(401,098)**

The notes on pages 12 to 21 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Share capital £	Retained earnings £	Total equity £
Balance as at 1 April 2016	1	-	1
Loss and total comprehensive loss for the year	-	(401,098)	(401,098)
Balance as at 31 March 2017	**1**	**(401,098)**	**(401,097)**
Balance as at 1 April 2017	1	(401,098)	(401,097)
Profit and total comprehensive loss for the year	-	4,644,493	4,644,493
Balance as at 31 March 2018	**1**	**4,243,395**	**4,243,396**

The notes on pages 12 to 21 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. General information

UK Green Investment Galloper Limited ("the Company") is a private limited company domiciled in England and Wales, United Kingdom. The address of its registered office is 18 St Swithin's Lane, London, United Kingdom, EC4N 8 AD.

These financial statements have been prepared as on and for the year ended 31 March 2018.

The immediate parent of the Company is Galloper Holdco Limited ("Galloper Holdco"), Company number: 10492131, incorporated on 22 November 2016 in the England and Wales, having its registered office at 18 St Swithin's Lane, London, United Kingdom, EC4N 8AD.

Galloper owns a wind farm located off the Suffolk coast in the United Kingdom. As at 31 March 2018, the Company owns a 25% interest in Galloper.

The main activity of the Company is to hold the investment in Galloper and to distribute profit arising from the investment to investors at a later stage.

The Company is funding the investment in Galloper through loans from shareholders.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, interpretations issued by the IFRS Interpretations Committee (IFRS IC) and the Company Act 2006 applicable to company reporting under IFRS.

The financial statements have been prepared on a historical cost basis. The preparation of financial statements in compliance with EU adopted IFRS requires the use of certain critical accounting estimates. It also requires Management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in section 2.4 below.

The accounting policies have been applied consistently throughout the year.

There were no cash movements during the year and therefore no statement of cash flows has been presented.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Summary of significant accounting policies - (continued)

2.2 Changes in accounting policies and disclosures

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of the issuance of the Company's financial statements are disclosed below. This listing of standards and interpretations issued are those that the Company expect to be applicable at future date. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial instruments

In July 2014, the IASB issued IFRS 9 Financial Instruments that replaces IAS 39 Financial Instruments. Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: Classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions. The directors have performed an assessment on the adoption of IFRS 9 and do not expect any impact on the Company's financial statements.

IFRS 15 Revenue from contracts with customers

The IASB has issued a new standard for the recognition of revenue which is effective for periods beginning on, or after, January 2018. The adoption of IFRS 15 is not expected to have any effect on the current activities of the Company.

IFRS 16 Leases

IFRS 16, 'Leases' addresses the definition of a lease, recognition and measurement of leases and principles for reporting useful information to users of financial statements about the leasing activity of both lessees and lessors. A key change arising from IFRS 16 is that most operating leases will be accounted for on balance sheet for lessees. The standard is effective for annual periods beginning on or after January 2019 (with early adoption permitted). IFRS 16 is not expected to impact the Company.

2.3 Going concern

The Company is reliant on funds to be remitted from its investment. Directors are satisfied that the Company has the resources to continue in business for the foreseeable future. The directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. On this basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they have adopted the going concern basis in preparing the annual financial statements.

The ultimate controlling entity UK Green Investment Rampion Limited has provided letter of support from the ultimate shareholders that confirms that UK Green Investment Rampion Limited and its subsidiaries will be able to have adequate resources to continue as a going concern for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Summary of significant accounting policies - (continued)

2.4 Estimates and judgements

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are noted below;

Assessment of impairments of investment

IFRS require companies to carry out impairment testing on any assets which show indications of impairment. In carrying out this assessment, we have exercised judgment in considering future cash flows as well as other information in accordance with the accounting policy to determine the true and fair value of an asset. This is performed in order to determine whether an impairment of the investment is required.

2.5 Share capital

Ordinary shares are classified as equity.

2.6 Functional and presentation currency

The financial statements have been presented in British Pounds ("£"), which is the Company's functional currency.

Transactions in foreign currencies are translated into "£" at the foreign currency exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated into "£" at the exchange rate ruling at that date.

Foreign currency exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost or fair value in a foreign currency are translated using the exchange rate at the date of the transaction or date fair value was determined.

2.7 Investments

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries, joint ventures and associated companies, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.8 Trade and other payables

Trade payables 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 period or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Summary of significant accounting policies - (continued)

2.9 Financial instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and liabilities are described below.

Classification and subsequent measurement of financial assets

The Company's financial assets include other receivables, classified in the 'Loans and receivables' category.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. Given the short-term maturities, the fair value of current financial assets approximates their carrying value.

Classification and subsequent measurement of financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

The Company's financial liabilities include trade and other payables and borrowings, and are designated at amortised cost.

The Company's derivative financial liabilities are designated at fair value through profit and loss.

Financial liabilities measured subsequently at amortised cost use the effective interest method. Discounting is omitted where the effect of discounting is immaterial. Given the short-term maturities, the fair value of current other liabilities approximates their carrying value.

Financial liabilities at fair value through profit and loss comprises only out-of-the-money derivatives. They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. The Company does not hold or issue derivative instruments for speculative purposes, but for hedging purposes. Other than these derivative financial instruments, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within 'finance costs' or 'finance income'.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Summary of significant accounting policies (continued)

2.9 Financial Instruments (continued)

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Impairment of financial assets

A financial asset is impaired when its carrying amount exceeds its recoverable amount. The Company reviews all of its assets at each reporting date for indicators of impairment.

The carrying amount of impaired financial assets is reduced to its estimated recoverable amount and the amount of change in the current year provision is recognised in the statement of comprehensive income as part of changes in provisions of impairment.

If in a subsequent period, the amount of the impairment on financial assets decreases, the amount is reversed by adjusting the impairment and is recognised in the statement of comprehensive income.

Financial assets are impaired where there is objective evidence as a result of one or more events that occurred after the initial recognition of the asset the estimated future cash flows of the asset have been impacted.

2.10 Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.11 Directors' and employees' remuneration

The Directors do not receive any remuneration for their services to the Company. The Company has no employees.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

3. Investment

Name of investment	Registered office	Percentage ownership
Galloper Wind Farm Holding Company Limited	Windmill Hill Business Park, Whitehill Way, Whilshire, SN5 6PB	25%

Galloper Wind Farm Holding Company Limited (the "Associate") is a strategic investment of the Company. The Associate owns and operates a wind farm based off the Suffolk coast in the United Kingdom. The movement for the Associate during the financial period can be specified as follows:

	£
At 31 March 2016	**37,373,526**
Additions	47,344,701
Provision for accrued interest	(2,005,491)
At 31 March 2017	**82,712,736**

	£
At 31 March 2017	82,712,736
Additions	26,083,506
At 31 March 2018	**108,796,242**

Of the total investment of £108,796,242 (2017 - £82,712,736), £60,543,368 (2017 - £50,253,027) relates to equity holding and the remain balance relates to a shareholder loan.
The loan to associates is interest bearing at 9% per annum with no fixed terms of repayment and includes accrued interest of £5,502,824 which was recognised in the profit and loss during the period. From the total amount of interest accrued, £2,005,491 is related to the reversal of prior year's provision for accrued interest.

4. Share capital

The Company has only issued ordinary shares as at the balance sheet date.

As at 31 March 2018, the share capital amounting to £1, is represented by 1 ordinary shares with a nominal value of £1.00. There is no share premium in the Company as at the balance sheet date.

	2018	2017
	£	£
Ordinary share capital	1	1
Total	1	1

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

5. Trade and other payables

Trade and other payables are composed of the following:

	2018	2017
	£	£
Accruals	27,336	-
Other payables	995,364	401,098
Total	**1,022,700**	**401,098**

6. Other financial liabilities

Other financial liabilities are composed of the following:

	2018	2017
	£	£
Shareholder loan	103,293,417	82,712,735
Interest payable on shareholder loan	236,729	-
Total	**103,530,146**	**82,712,735**

The above loan is interest bearing at 7% per annum with no fixed terms of repayment and is held by Galloper Holdco Limited.

7. Administrative expenses

	2018	2017
	£	£
Audit fees	17,000	
Professional fees	10,336	
Total	**27,336**	-

Audit fees in 2017 were £15,200. This amount was payable by the parent company.

8. Tax expense

The tax assessed for the year is lower than the standard effective rate of corporation tax in the UK of 19% for the year ended 31 March 2018.

The tax assessed on the loss before tax is explained below:

	2018	2017
	£	£
Profit for the year before tax	5,238,759	
Corporation tax at standard rate	995,364	
Income not subject to tax	(401,098)	
Non-deductible expenses	-	401,098
Total tax charge	**594,266**	**401,098**

The main rate of UK corporation tax from 1 April 2016 was 20%. This was reduced to 19% from 1 April 2017 and will be reduced to 18% from 1 April 2020. A further rate reduction to 17%, effective from 1 April 2020, was announced on 16 March 2016.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

9. Financial risk management objectives and policies

The Company is exposed through its operations to the following financial risks:

- Credit risk
- Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes during the year in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods.

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade receivables
- Trade and other payables

Financial instruments by category

	2018	2017
Financial Assets	**£**	**£**
Other financial assets	-	-
Total	-	-
Financial Liabilities		
Trade and other payables	1,022,700	401,098
Other financial liabilities	103,530,146	82,712,735
Total	**104,552,846**	**83,113,833**

The Company's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to the Company's continuing profitability.

The Company's senior management oversees the management of these risks. Management reviews and agrees policies for managing each of these risks, which are summarised below.

9.1 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk due to its loan to the Associate.

The Company's principle financial assets are intercompany debtors, which are what the Company's credit risk is attributable to. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. The Company has a significant concentration of credit risk with debtors compromising of a loan to a related party.

Credit risk is actively managed by monitoring the Asset performance and ensuring that any cash due from the Associate is paid in a timely manner.

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9. Financial risk management objectives and policies - (continued)

9.2 Liquidity risk

Liquidity risk is defined as the risk the Company will encounter in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses short term finance through intercompany borrowing.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
	£	£	£	£
Trade and other payables	1,022,700	-	-	1,022,700
Other financial liabilities	103,530,146	-	-	103,530,146
Total as at 31 March 2018	**104,552,846**	-	-	**104,552,846**
Trade and other payables	401,098	-	-	401,098
Other financial liabilities	82,712,735	-	-	82,712,735
Total as at 31 March 2017	**83,113,833**	-	-	**83,113,833**

From the current performance of the Company, there is no indication for the next 12 months that the Company will face any significant liquidity risk.

10. Capital Management

The Company's objective when managing capital is to safeguard the ability to continue as a going concern in order to provide returns to parent entities. The Company's overall risk management program such to minimise potential adverse effects on the Company's financial performance.

11. Related party transactions

Parties are deemed related when one has an ability to control the other or have significant influence while making financial and operational decisions.

At the year end the Company owed the amount of £103,530,146 to Galloper Holdco Limited, including accrued interest of £236,729 which has been recognised as Finance Cost in the statement of Comprehensive Income.

The Company has also provided a loan to the Associate as disclosed in note 3.

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12. Immediate and ultimate parent undertaking

As at 31 March 2018, the Company's immediate parent undertaking was Galloper Holdco Limited and its ultimate parent company and ultimate controlling party was UK Green Investment Rampion Limited, a company incorporated in Great Britain and registered in England and Wales.

The ultimate parent company is the largest group to consolidate these financial statements and OSW CO Holdings 2 Limited is the smallest group to consolidate these financial statements. Copies of the consolidated financial statements of both the immediate parent undertaking and the ultimate parent company can be obtained from 18 St. Swithin's Lane London United Kingdom, EC4N 8AD.