

WMR Holdco Limited
Annual Report and Audited Financial Statements
for the year ended 31 March 2019
Registered company number 10492129

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WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

TABLE OF CONTENTS

	Page(s)
Company Information	2
Directors' Report	3 to 6
Independent Auditors' Report	7 to 9
Statement of Financial Position	10
Statement of Comprehensive Income	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 to 23

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

Company information

WMR Holdco Limited ("the Company") is a private limited company domiciled in England and Wales, United Kingdom. The Company was incorporated on 22 November 2016 in the United Kingdom, with Company number: 10492129.

Board of directors

Richard Abel	
Erin Kate Eisenberg	
David Paul Tilstone	
Tom Kelly	(appointed on 31 October 2018)
Jonathan Brazier Duffy	(appointed on 27 March 2019)
Peter John Stalley	(appointed 25 September 2019)
Gavin Bruce Merchant	(resigned on 31 October 2018)
Gordon Ian Winston Parsons	(resigned on 27 March 2019)
Stephen Alan John Deeley	(resigned on 24 September 2019)
Mark Jonathan Dooley	(resigned on 24 September 2019)
Roberto Purcaro	(resigned on 24 September 2019)

Company secretaries

Dominic Tan

Alter Domus (UK) Limited
18 St. Swithin's Lane
London
EC4N 8AD
United Kingdom

Registered office

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

Independent auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH
United Kingdom

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

DIRECTORS' REPORT

The directors of WMR Holdco Limited (the "Company") present their annual report and audited financial statements (the "Annual Report and audited financial statements") for the year ended 31 March 2019.

Incorporation

The Company was incorporated in England and Wales on 22 November 2016 as a private company limited by shares. The address of its registered office is 18 St. Swithin's Lane, London, EC4N 8AD, United Kingdom.

Directors and their interest

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

Richard Abel	
Erin Kate Eisenberg	
David Paul Tilstone	
Tom Kelly	(appointed on 31 October 2018)
Jonathan Brazier Duffy	(appointed 27 March 2019)
Peter John Stalley	(appointed 25 September 2019)
Gavin Bruce Merchant	(resigned on 31 October 2018)
Gordon Ian Winston Parsons	(resigned on 27 March 2019)
Stephen Alan John Deeley	(resigned on 24 September 2019)
Mark Jonathan Dooley	(resigned on 24 September 2019)
Roberto Purcaro	(resigned on 24 September 2019)

Principal activities

The principal activity of the Company is that of an investment holding company. The Company holds a 50% interest in WMR JV Holdco Limited ("WMR JV Holdco", 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 in note 10.

Review of business

The Company's results are set out in the Statement of Comprehensive Income on page 11.

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

DIRECTORS' REPORT - (continued)

Small companies exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The Company is qualifying as a small entity as it meets two or more of the following requirements:

1. Annual turnover must be not more than £10.2 million;
2. The balance sheet total must be not more than £5.1 million;
3. The average number of employees must be not more than 50.

Results

The Company's loss for the year amounts to £2,945,314 (2018: £5,643,760).

Dividends and distributions

No dividends were declared or paid by the Company during the current year and the directors do not propose a final dividend (2018: nil).

Employees

The Company had no employees during the year (2018: nil).

None of the directors have received any remuneration during the year (2018: nil).

Directors' indemnities

The Company purchased insurance to cover Directors' and Officers' liability as permitted by applicable Law. There are no indemnity agreements for any director.

Immediate and ultimate parent undertaking

As at 31 March 2019, the Company's immediate parent undertaking was OSW Co Holdings 2 Limited, a company incorporated and registered in England and Wales, and its ultimate parent company and ultimate controlling party was UK Green Investment Rampion Limited, a company incorporated and registered in England and Wales.

Going concern

At the year end, the Company has net current liabilities of £74,749,494 (2018: £120,804,180).

The current liabilities of the Company mainly relate to an intercompany loan payable to its shareholders. Under the terms of the loan agreement, the liability has no fixed repayment terms, and is repayable by the borrower only when (i) it has sufficient cash to make the payment and if (ii) the borrower is permitted to make the payment under its other financing arrangements. Based on the undertaking of this agreement, the directors believe it remains appropriate for the financial statements to be prepared under the going concern basis.

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

DIRECTORS' REPORT - (continued)

Statement of the Directors' responsibilities

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.

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

DIRECTORS' REPORT - (continued)

Directors' confirmations

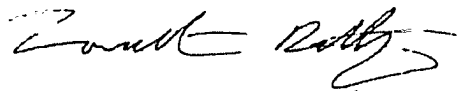
In the case of each director in office at the date the Directors' Report is approved:

- so far as each of the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to accept reappointment. 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: Jonathan Duffy

Date: 1 November 2019

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

Independent auditors' report to the members of WMR Holdco Limited

Report on the audit of the financial statements

Opinion

In our opinion, WMR Holdco Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss 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 Annual Report and Audited Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2019; the Statement of Comprehensive Income, 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

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.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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.

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

Reporting on other information - (continued)

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 2019 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 Directors' responsibilities in respect of the financial statements 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.

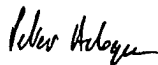
We have no exceptions to report arising from this responsibility.

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

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 take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



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

1 November 2019

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

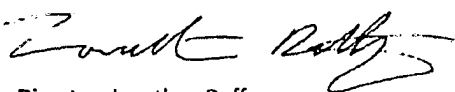
**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019**

	Notes	31 March 2019 £	31 March 2018 £
Non-current assets			
Investment	3	66,739,220	115,739,220
Total non-current assets		66,739,220	115,739,220
Current assets			
Other financial assets	4	1,369	99
Total current assets		1,369	99
Total assets		66,740,589	115,739,319
Equity and Liabilities			
Equity			
Share capital	5	200	200
Share premium	5	578,600	578,600
Accumulated losses		(8,589,074)	(5,643,760)
Total equity		(8,010,274)	(5,064,960)
Current liabilities			
Trade and other payables	6	25,564	26,440
Other financial liabilities	7	74,725,299	120,777,839
Total current liabilities		74,750,863	120,804,279
Total equity and liabilities		66,740,589	115,739,319

The notes on pages 13 to 23 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 10 to 23 were approved and authorised by the directors of the Company on 1 November 2019 and were signed on its behalf by:



Director: Jonathan Duffy
WMR Holdco Limited

Registered company number 10492129

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

		1 April 2018 to 31 March 2019	22 November 2016 to 31 March 2018
	Notes	£	£
Administrative expenses	8	(55,470)	(605,140)
Dividend income		2,851,000	-
Operating profit/(loss)		2,795,530	(605,140)
Finance costs	7	(5,740,844)	(5,038,620)
Loss before income tax		(2,945,314)	(5,643,760)
Tax expense	9	-	-
Total comprehensive loss for the year/period		(2,945,314)	(5,643,760)

The notes on pages 13 to 23 form an integral part of these financial statements.

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Share capital £	Share premium £	Accumulated losses £	Total equity £
Balance as at 22 November 2016	-	-	-	-
Initial issue of share capital	200	-	-	200
Initial issue of share premium	-	578,600	-	578,600
Total comprehensive loss for the period	-	-	(5,643,760)	(5,643,760)
Balance as at 31 March 2018	200	578,600	(5,643,760)	(5,064,960)
Balance as at 1 April 2018	200	578,600	(5,643,760)	(5,064,960)
Total comprehensive loss for the year/period	-	-	(2,945,314)	(2,945,314)
Balance as at 31 March 2019	200	578,600	(8,589,074)	(8,010,274)

The notes on pages 13 to 23 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

WMR Holdco 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, EC4N 8AD, United Kingdom.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared under the historic cost convention and in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS.

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 judgement in applying the Company's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in section 2.4.

The Company is a wholly-owned subsidiary of OSW CO Holdings 2 Limited and is included in the consolidated financial statements of OSW CO Holdings 2 Limited which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006. The Company has taken advantage of the exemption from applying the equity method to account for its investment in Associate given in International Accounting Standard (IAS) 28 section 17. The ultimate and the intermediate parent of the parent produces financial statements available for public use that comply with IFRS, in which subsidiaries are consolidated or are measured at Fair Value Through Profit or Loss in accordance with IFRS 10.

2.2 Changes in accounting policies and disclosures

New standards and amendments effective for the financial year beginning 1 April 2018 and adopted by the Company

IFRS 9 Financial instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The Company has assessed the classification of financial instruments as at the date of initial application and has applied such classification retrospectively. Based on that assessment, financial assets previously classified as other receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Thus, such instruments continue to be measured at amortised cost under IFRS 9.

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

The classification of financial liabilities under IFRS 9 remains broadly the same as under IAS 39. The main impact on measurement from the classification of liabilities under IFRS 9 relates to the element of gains or losses for financial liabilities designated as at FVTPL attributable to changes in credit risk. IFRS 9 requires that such element be recognised in other comprehensive income (OCI), unless this treatment creates or enlarges an accounting mismatch in the profit or loss, in which case, all gains and losses on that liability (including the effects of changes in credit risk) should be presented in profit or loss. As the Company has not applied hedge accounting under IAS 39 nor will it apply hedge accounting under IFRS 9, therefore, this amendment has not had a material impact on the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Summary of significant accounting policies - (continued)

2.2 Changes in accounting policies and disclosures - (continued)

IFRS 9 Financial instruments - (continued)

ii. Impairment of financial assets

IFRS 9 requires the Company to record expected credit losses (ECLs) on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. Given the limited exposure of the Company to credit risk, this amendment has not had a material impact on the financial statements.

IFRS 15 Revenue from Contract with Customers

IFRS 15 Revenue from Contracts with Customers replaces all the current guidance on revenue recognition from contracts with customers. It requires identification of discrete performance obligations within a transaction and an associated transaction price allocation to these obligations. Revenue is recognized upon satisfaction of these performance obligations, which occur when control of the goods or services are transferred to the customer.

The Company's main source of income is distributions from Investments which are only accrued when the right to receive payment is established. The adoption of this new standard did not result in substantial changes to the Company's accounting policy and had no material effect on the amount reported for the current or prior periods.

New standards, amendments and interpretation issued but not yet effective for the financial year beginning 1 April 2018 which have not been early adopted by the Company

IFRS 16 Leases

IFRS 16 will replace IAS 17 Leases. It requires the recognition of a right-of-use asset along with an associated lease liability, where the entity is a lessee. Interest expense will be recognized in profit or loss using the effective interest rate method, and the right of use asset will be depreciated. The standard is effective for annual reporting periods beginning on or after 1 January 2019. The standard is not expected to have a significant effect on the financial statements of the Company.

2.3 Going concern

The current liabilities of the Company mainly relate to an intercompany loan payable to its shareholders. Under the terms of the loan agreement, the liability has no fixed repayment terms, and is repayable by the borrower only when (i) it has sufficient cash to make the payment and if (ii) the borrower is permitted to make the payment under its other financing arrangements. Based on the undertaking of this agreement, the directors believe it remains appropriate for the financial statements to be prepared under the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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 only estimate and assumption that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is noted below:

Assessment of impairment of investment

IFRS requires 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 Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. The Company had no bank account during the year and therefore no statement of cash flows has been presented. Any monetary transactions are being received/paid into OSW CO Holdings 2 Limited bank account on behalf of the Company creating or repaying an existing intercompany balance.

2.6 Functional and presentation currency

Functional currency is the currency of the primary economic environment in which the Company operates. The majority of the Company's investments and transactions are denominated in British Pounds. Commitments, capital calls and distributions are received and paid in British Pounds. The large majority of expenses (including legal and professional fees and investment acquisition costs) are denominated and paid in British Pounds. Accordingly, the director have determined that the functional and presentation currency of the Company is British Pounds.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the Statement of Financial Position date. Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income. Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within 'net foreign currency gains or losses'. Foreign exchange gains and losses relating to the financial assets carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within 'Net changes in fair value of financial assets at fair value through profit or loss'.

2.7 Investment

Investments in subsidiaries, joint ventures and associates are carried at historical cost less accumulated impairment losses in the Company's Statement of Financial Position. On disposal of investments (in subsidiaries, joint ventures and associates) the difference between disposal proceeds and the carrying amounts of the investments are recognised in the Statement of Comprehensive Income.

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Summary of significant accounting policies - (continued)

2.8 Trade and other payables

Payables and accrued expenses are initially recognised at fair value and measured subsequently at amortised cost using the effective interest rate method. Payables and accrued expenses are derecognised when the liability is extinguished, that is when contractual obligation is discharged, cancelled or expires.

2.9 Financial instruments

i. 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.

ii. Classification and subsequent measurement of financial assets

The Company's financial assets include other receivables, classified in the 'Other financial assets' 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.

iii. Classification and subsequent measurement of financial liabilities

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

Financial liabilities measured subsequently at amortised cost use the effective interest rate method. Discounting is omitted where the effect of discounting is immaterial.

iv. 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Summary of significant accounting policies - (continued)

2.9 Financial instruments - (continued)

v. 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.

vi. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.10 Income taxes

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates applicable to the Company's activities enacted or substantively enacted at the reporting date, and adjustment to tax payable in respect of previous financial years.

Deferred tax

A deferred tax asset is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

2.11 Dividends

Dividend income is recognised when the right to receive payment is established. Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****3. Investment**

Name of investment	Registered office	Class of shares held	Percentage ownership
WMR JV Holdco Limited	Two London Bridge, London, United Kingdom, SE1 9RA	Ordinary	50%

WMR JV Holdco Limited (the "Associate") is the strategic investment of the Company. The Associate owns and operates a wind farm (the "Asset") located 8 km from the Holderness coast in the United Kingdom. The movement for the Associate during the financial year/period can be specified as follows:

	£
At 22 November 2016	
Acquisition of the Associate under the cost method	115,739,220
At 31 March 2018	<u>115,739,220</u>
	£
At 1 April 2018	115,739,220
Reduction in equity investment	(49,000,000)
At 31 March 2019	<u>66,739,220</u>

During the year, the Associate reduced its share capital and returned capital to the Company proportionate to its % interest holding.

Other indirect related undertakings

	Country of incorporation	Class of shares held	Percentage of shares held as at 31 March 2019
			%
WMR JV Investco Limited	United Kingdom	Ordinary	50
Westernmost Rough (Holding) Limited	United Kingdom	Ordinary	25
Westernmost Rough Limited	United Kingdom	Ordinary	25

4. Other financial assets

	31 March 2019	31 March 2018
	£	£
Share capital receivable	99	99
Other receivables	1,270	-
Total	<u>1,369</u>	<u>99</u>

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****5. Share capital**

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

As at 31 March 2019, the share capital amounting to £200 (2018: £200) is represented by 200 (2018: 200) ordinary shares with a nominal value of £1 each.

As at 31 March 2019, the share premium amounted to £578,600 (2018: £578,600).

	31 March 2019	31 March 2018
	£	£
Ordinary share capital	200	200
Share premium	578,600	578,600
Total	578,800	578,800

6. Trade and other payables

	31 March 2019	31 March 2018
	£	£
Accruals	25,564	26,440
Total	25,564	26,440

7. Other financial liabilities

	31 March 2019	31 March 2018
	£	£
Amount due to shareholder	57,616	-
Shareholder loan	74,667,683	115,739,219
Interest payable on shareholder loan notes	-	5,038,620
Total	74,725,299	120,777,839

The above loan is interest bearing at 7% per annum and is repayable on demand with no fixed repayment terms. As a result, the loan does not pass the solely payments of principal and interest test and is held at fair value through the profit and loss. As the interest rate of the loan is at fair value, there are no changes to the loans value and no fair value changes have been recorded in the income statement.

As at year end, the Company paid accrued interest of £10,779,464 and repaid £41,071,536 of the interest bearing loan.

During the year the Company recognised finance costs of £5,740,844 (2018: £5,038,620) in the Statement of Comprehensive Income.

8. Administrative expenses

	1 April 2018 to 31 March 2019	22 November 2016 to 31 March 2018
	£	£
Audit fee*	41,800	17,000
Professional fees	13,670	9,540
Stamp Duty	-	578,600
Total	55,470	605,140

*Includes £3,567 of taxes and £17,833 pertaining to previous years

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

9. Tax expense

There is no current or deferred tax charge in the year (2018: nil).

The tax assessed for the year is lower than (2018: lower than) the standard effective rate of corporation tax in the UK of 19% (2018: 19.34%) for the year ended 31 March 2019.

The tax assessed on the loss on ordinary activities is explained below:

	1 April 2018 to 31 March 2019	22 November 2016 to 31 March 2018
	£	£
Loss for the year/period - continuing activities	(2,945,314)	(5,643,760)
Tax on loss at standard UK tax rate of 19.00% (2018: 19.34%)	(559,610)	(1,091,503)
Effects of:		
Income not taxable	(541,690)	-
Non-deductible expenses	1,101,300	1,091,503
Tax charge for the year/period	-	-
Unrecognised deferred tax asset:		
Opening	(1,091,503)	-
Losses	(1,101,300)	(1,091,503)
Closing	(2,192,803)	(1,091,503)

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. Deferred tax asset has not been recognised as it is uncertain whether there will be future profits to offset against.

10. Financial risk management objectives and policies

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

- Credit risk
- Liquidity risk

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****10. Financial risk management objectives and policies - (continued)**

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

- Other receivables
- Trade and other payables
- Other financial liabilities

Financial instruments by category

	31 March 2019	31 March 2018
	£	£
<u>Financial Assets</u>		
Other receivables	1,369	99
Total	1,369	99
<u>Financial Liabilities</u>		
Trade and other payables	25,564	26,440
Other financial liabilities	74,725,299	120,777,839
Total	74,750,863	120,804,279

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.

10.1 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument, leading to a financial loss. The Company is indirectly exposed to credit risk due to its investment in the Associate.

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

10.2 Liquidity risk

Liquidity risk is defined as the risk the Company will encounter difficulties 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.

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****10. Financial risk management objectives and policies - (continued)**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2019:

	Less than 1 year	Between 1 and 5 years	More than 5 years	No repayment date	Total
	£	£	£	£	£
Trade and other payables	26,440	-	-	-	26,440
Other financial liabilities	-	-	-	120,777,839	120,777,839
Total as at 31 March 2018	26,440	-	-	120,777,839	120,804,279

	Less than 1 year	Between 1 and 5 years	More than 5 years	No repayment date	Total
	£	£	£	£	£
Trade and other payables	25,564	-	-	-	25,564
Other financial liabilities	-	-	-	74,725,299	74,725,299
Total as at 31 March 2019	25,564	-	-	74,725,299	74,750,863

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. Also, refer to note 2.3 for its going concern assessment.

11. 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 is such to minimise potential adverse effects on the Company's financial performance.

12. Directors' and employees' remuneration

The directors did not receive any remuneration (2018: nil) for their services to the Company. The Company has no employees (2018: nil).

13. 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 £74,725,299 (2018: £120,777,839) to its shareholder OSW CO Holdings 2 Limited, including accrued interest of £nil (2018: £5,038,620). £5,740,844 (2018: £5,038,620) of interest has been recognised as a finance cost in the Statement of Comprehensive Income during the year. At the reporting date, OSW CO Holdings 2 Limited owed £1,270 (2018: nil) to the Company. The Company also had a share capital receivable of £99 (2019: £99), which was owed by OSW CO Holdings 2 Limited at the reporting date.

WMR Holdco Limited

Annual Report and Audited Financial Statements for the year ended 31 March 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

14. Immediate and ultimate parent undertaking

As at 31 March 2019, the Company's immediate parent undertaking was OSW CO Holdings 2 Limited, a company incorporated in United Kingdom and registered in England and Wales, and its ultimate parent company and ultimate controlling party was UK Green Investment Rampion Limited, a company incorporated 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 Companies House (www.beta.companieshouse.gov.uk).

15. Events occurring after the balance sheet date

Subsequent events have been evaluated up to the date on which the financial statements were approved and authorised for issue by the directors.

There have been no significant events affecting the Company since the year end.