

Company Registration No. 12146891 (England and Wales)

**OSW CO HOLDINGS 3 LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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# OSW CO HOLDINGS 3 LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr J Duffy Mr P Stalley Mr D Tilstone Ms F Trevere (Appointed 9 March 2022)
<b>Secretary</b>	Mr D Tan Vercity Management Services Limited
<b>Company number</b>	12146891
<b>Registered office</b>	8 White Oak Square London Road Swanley Kent BR8 7AG
<b>Independent auditors</b>	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

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# **OSW CO HOLDINGS 3 LIMITED**

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# OSW CO HOLDINGS 3 LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2021

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

#### **Incorporation**

The Company was incorporated in England and Wales on 8 August 2019 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 100% of the shares of OSW Co Investments Limited ("the subsidiary").

#### **Results and dividends**

The results for the year are set out on Page 7.

The Company's loss and total comprehensive expense for the year amounts to £31,473 (2020: £20,045).

No dividends were declared or paid during the year (2020: nil). The directors do not recommend payment of a final dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Duffy	
Mr T Kelly	(Resigned 9 March 2022)
Mr P Stalley	
Mr D Tilstone	
Mr R Abel	(Resigned 22 June 2020)
Mrs E Eisenberg	(Resigned 17 February 2021)
Ms F Trevere	(Appointed 9 March 2022)

#### **Employees**

The company had no employees during the year (2020: nil).

None of the directors have received remuneration during the year (2020: nil).

#### **Directors' insurance**

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

#### **Financial risk management**

The principal financial risks and uncertainties that the company faces and how the company manages these risks are discussed in notes 16 and 17.

#### **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.

# OSW CO HOLDINGS 3 LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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 accounting standards in conformity with the requirements of the Companies Act 2006.

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 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 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 also 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' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is 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.

#### Going concern

The financial statements have been prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, management has taken into account all available information about the future which is at least 12 months from the date of approval of the financial statements.

The management has considered the impact of COVID-19 on the Company, its operations and financial statements and concluded that there is no impact of COVID-19 on the Company's ability to continue as a going concern for the foreseeable future. The long-term nature of offshore wind assets contributed to overall resilience of this asset class to economic fluctuations. The Company's liquidity position and forecasted future cash flows are being reviewed by the management and presented to the Board quarterly. The assumptions in the cash flow forecast are updated regularly to account for the most recent macroeconomic and company's developments.

At the year end, the company had net current liabilities of £51,518 (2020: £20,045).

The current liabilities of the company largely comprise of an intercompany loan payable to its shareholders. The liability 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. Therefore, the directors believe it remains appropriate for the financial statements to be prepared under the going concern basis.

# **OSW CO HOLDINGS 3 LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

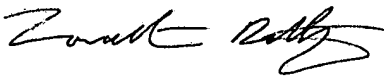
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### **Small companies exemption**

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

Advantage has been taken of the exemption under Section 414B of the Companies Act 2006 from the requirement to prepare a strategic report.

On behalf of the board



Mr J Duffy  
Director

31 March 2022

# Independent auditors' report to the members of OSW Co Holdings 3 Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, OSW Co Holdings 3 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; 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 Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 March 2021; 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

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### 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 our work undertaken in the course of the audit, the Companies Act 2006 requires 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 2021 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, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to achieve desired financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- gaining an understanding of the legal and regulatory framework applicable to the company and considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud;



- enquiry of management and those charged with governance around actual and potential litigation and claims and any instances of non-compliance with laws and regulations;
- reviewing minutes of meetings of those charged with governance;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, testing accounting estimates (because of the risk of management bias), and evaluating the business rationale of significant transactions outside the normal course of business.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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](http://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 obtained 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: take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

*Kevin McGhee*

Kevin McGhee (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
31 March 2022

# OSW CO HOLDINGS 3 LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

		2021 £	2020 £
Administrative expenses	Note	(31,473)	(20,045)
<b>Operating loss</b>	<b>4</b>	<b>(31,473)</b>	<b>(20,045)</b>
Finance income	<b>7</b>	1,921,174	1,319,762
Finance costs	<b>8</b>	(1,921,174)	(1,319,762)
<b>Loss before taxation</b>		<b>(31,473)</b>	<b>(20,045)</b>
Income tax expense	<b>9</b>	-	-
<b>Loss and total comprehensive expense for the year</b>		<b>(31,473)</b>	<b>(20,045)</b>

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The Company did not have a bank account during the year and hence the Statement of Cash Flows has not been presented.

Notes on pages 10 to 19 form an integral part of these financial statements.

# OSW CO HOLDINGS 3 LIMITED

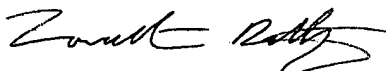
## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment in subsidiary	10	100	100
<b>Total non-current assets</b>		<u>100</u>	<u>100</u>
<b>Current assets</b>			
Trade and other receivables	12	22,639,319	32,318,144
<b>Total current assets</b>		<u>22,639,319</u>	<u>32,318,144</u>
<b>Total assets</b>		<u><u>22,639,419</u></u>	<u><u>32,318,244</u></u>
<b>EQUITY</b>			
Called up share capital	19	100	100
Accumulated losses		(51,518)	(20,045)
<b>Total equity</b>		<u>(51,418)</u>	<u>(19,945)</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	13	51,618	20,145
Loans and borrowings	14	22,639,219	32,318,044
<b>Total current liabilities</b>		<u>22,690,837</u>	<u>32,338,189</u>
<b>Total liabilities</b>		<u>22,690,837</u>	<u>32,338,189</u>
<b>Total equity and liabilities</b>		<u><u>22,639,419</u></u>	<u><u>32,318,244</u></u>

Notes on pages 10 to 19 form an integral part of these financial statements.

The financial statements on pages 7 to 19 were approved by the board of directors and authorised for issue on 31 March 2022 and are signed on its behalf by:



Mr J Duffy  
Director

Company Registration No. 12146891

# OSW CO HOLDINGS 3 LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Note	Called up share capital £	Accumulated losses £	Total equity £
<b>Balance at 8 August 2019</b>		-	-	-
Loss and total comprehensive expense for the year		-	(20,045)	(20,045)
Issue of share capital	19	100	-	100
<b>Balance at 31 March 2020</b>		<u>100</u>	<u>(20,045)</u>	<u>(19,945)</u>
Loss and total comprehensive expense for the year		-	(31,473)	(31,473)
<b>Balance at 31 March 2021</b>		<u>100</u>	<u>(51,518)</u>	<u>(51,418)</u>

Notes on pages 10 to 19 form an integral part of these financial statements.

# OSW CO HOLDINGS 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **1 Accounting policies**

#### **Company information**

OSW Co Holdings 3 Limited is a private company limited by shares incorporated and domiciled in the United Kingdom and registered in England and Wales. The registered office is 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG. The company's principal activities and nature of its operations are disclosed in the directors' report.

#### **1.1 Accounting convention**

The financial statements of the Company have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ('IFRS') and the applicable legal requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention with the exception of some financial assets and liabilities held at fair value through profit or loss as detailed in notes 1.5 and 1.6. The preparation of the financial statements in compliance with international accounting standards in conformity with the requirement of the Companies Act 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 the accounting policies.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, UK Green Investment Rampion Limited.

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, management has taken into account all available information about the future which is at least 12 months from the date of approval of the financial statements.

The management has considered the impact of COVID-19 on the Company, its operations and financial statements and concluded that there is no impact of COVID-19 on the Company's ability to continue as a going concern for the foreseeable future. The long-term nature of offshore wind assets contributed to overall resilience of this asset class to economic fluctuations. The Company's liquidity position and forecasted future cash flows are being reviewed by the management and presented to the Board quarterly. The assumptions in the cash flow forecast are updated regularly to account for the most recent macroeconomic and company's developments.

At the year end, the company had net current liabilities of £51,518 (2020: £20,045).

The current liabilities of the company largely comprise of an intercompany loan payable to its shareholders. The liability 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. Therefore, the directors believe it remains appropriate for the financial statements to be prepared under the going concern basis.

#### **1.3 Non-current investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

# OSW CO HOLDINGS 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

(Continued)

##### 1.4 Cash and cash equivalents

The Company did not have a bank account during the period and all operating expenses were settled by the parent entity, therefore no Statement of Cash Flows has been presented.

##### 1.5 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

###### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

###### *Financial assets held at amortised cost*

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

###### *Impairment of financial assets*

Financial assets held at amortised cost are assessed for indicators of impairment at each reporting end date.

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

###### *Derecognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

##### 1.6 Financial liabilities

The company recognises financial liabilities when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified into specified categories, depending on the nature and purpose of the financial liabilities. The financial liabilities of the Company comprise of trade and other payables (held at amortised cost) and loans and borrowings (held at fair value through profit or loss).

###### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

###### *Financial liabilities at amortised cost*

Trade payables are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

# OSW CO HOLDINGS 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

(Continued)

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer payable at the discretion of the company.

#### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### ***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 2 Adoption of new and revised standards and changes in accounting policies

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2021 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods on foreseeable future transactions.

The following standards, interpretations and amendments to existing standards became effective on 1 January 2020 and have not had a material impact on the Company:

- Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform (Phase 1), effective from 1 January 2020.

# OSW CO HOLDINGS 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 3 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Critical judgements

##### Impairment of investment

At each balance sheet date, management assesses whether there is any indication that the investment in the subsidiary may be impaired. In assessing whether there is any indication that the investment in the subsidiary may be impaired, management uses judgement and takes into account several external and internal sources of information. The directors have considered all relevant sources of information and concluded that there are no indicators that the investment in the subsidiary may be impaired.

#### Key sources of estimation uncertainty

##### Fair value of loans and borrowings

The Company classifies receivables and payables from and to related undertakings at fair value through profit and loss (further details on classification of this are explained in notes 12 and 14). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value is based on interest rate determined through benchmarking analysis, which includes comparing third party financing transactions in the renewable and offshore wind sub-sector. The Company's risk profile is also factored in while determining appropriate interest rate. These estimates are reviewed annually.

### 4 Operating loss

	2021 £	2020 £
Operating loss for the year is stated after charging:		
Fees payable to the company's auditors for the audit of the company's financial statements	11,178	10,800
Tax compliance fees	2,400	2,400
Management service fees	17,895	6,845

All costs are shown inclusive of VAT as the company is not VAT registered.

### 5 Auditors' remuneration

	2021 £	2020 £
Fees payable to the company's auditors:		
For audit services		
Audit of the financial statements of the company	9,315	9,000



# OSW CO HOLDINGS 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 6 Employees

The company had no employees during the year (2020: nil).

None of the directors have received remuneration during the year (2020: nil).

### 7 Finance income

	2021 £	2020 £
Interest on loan to subsidiary undertaking	1,921,174	1,319,762

### 8 Finance costs

	2021 £	2020 £
Interest on loan from parent undertaking	1,921,174	1,319,762

### 9 Income tax expense

The charge for the year can be reconciled to the loss per the Statement of Comprehensive Income as follows:

	2021 £	2020 £
Loss before taxation	(31,473)	(20,045)
Expected tax credit based on a corporation tax rate of 19.00% (2020: 19.00%)	(5,980)	(3,809)
Deferred tax asset not recognised	5,980	3,809
<b>Taxation charge for the year</b>	<b>-</b>	<b>-</b>
<b>Unrecognised deferred tax:</b>		
Losses	(9,789)	(3,809)
<b>Closing</b>	<b>(9,789)</b>	<b>(3,809)</b>

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

At 31 March 2021, the directors reviewed the probability that sufficient taxable profits would be available to allow a deferred tax asset to be recovered. As this was uncertain, a deferred tax asset was not recognised.

# OSW CO HOLDINGS 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 10 Investments

	Non-current 2021 £	2020 £
Investments in subsidiaries	100	100

### 11 Subsidiaries

Details of the company's investments at 31 March 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
OSW Co Investments Limited	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	100	-
OSW LP Holdco Limited*	8 White Oak Square, London Road, Swanley, Kent, United Kingdom, BR8 7AG	Ordinary	-	100

\* indirect subsidiary holding.

The indirect subsidiary, OSW LP Holdco Limited, holds a 40% share in Macquarie GIG Renewable Energy Fund 1 L.P ("Fund A") and a 20% share in Macquarie GIG Renewable Energy Fund 1 B L.P ("Fund B"). The principal activity of Fund A and Fund B is to carry on the business of investing in operational offshore wind farms in the United Kingdom and to carry out all functions and acts in connection therewith.

### 12 Trade and other receivables

	2021 £	2020 £
Unpaid share capital	100	100
Loan to subsidiary undertaking	22,552,715	30,998,282
Interest receivable on loan to subsidiary undertaking	86,504	1,319,762
	22,639,319	32,318,144

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

During the year, the Company recognised finance income of £1,921,174 (2020: £1,319,762) in the Statement of Comprehensive Income.

# OSW CO HOLDINGS 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 13 Trade and other payables

	2021 £	2020 £
Amounts owed to parent undertaking	14,178	-
Unpaid share capital	100	100
Accruals	37,340	20,045
	<u>51,618</u>	<u>20,145</u>

### 14 Loans and borrowings

	2021 £	2020 £
<b>Loans and borrowings held:</b>		
Loan from parent undertaking	22,552,715	30,998,282
Accrued interest on loan from parent undertaking	86,504	1,319,762
	<u>22,639,219</u>	<u>32,318,044</u>

The loan due to parent undertaking is interest bearing at 7% per annum with no fixed terms of repayment and is payable on demand. The loan is held by OSW Co Holdings 2 Limited. The loan is accounted for at fair value through profit or loss to avoid an accounting mismatch with the loan receivable as permitted by IFRS 9. As the interest rate of the loan is at a market rate, there are no changes to the loan value and no fair value changes have been recorded in profit or loss.

During the year, the Company recognised finance income of £1,921,174 (2020: £1,319,762) in the Statement of Comprehensive Income.

### 15 Fair value of financial assets and liabilities

The directors consider that the carrying amounts of financial assets and liabilities carried at amortised cost in the financial statements approximate to their fair values.

#### Determining the fair value of financial liabilities

All financial instruments which are measured at fair value are categorised within the fair value hierarchy described below. The categorisation is based on the lowest level input that is significant to the fair value measurement as a whole.

- **Level 1** Quoted prices in an active market (that are unadjusted) for identical assets or liabilities
- **Level 2** Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable)
- **Level 3** Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable). Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

# OSW CO HOLDINGS 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 15 Fair value of financial assets and liabilities

(Continued)

The analysis of financial instruments into the fair value hierarchy is as follows:

31 March 2021	Level 1 £	Level 2 £	Level 3 £	Total £
Financial liabilities				
Loans and borrowings	-	22,639,219	-	22,639,219
	-	22,639,219	-	22,639,219
31 March 2020	Level 1 £	Level 2 £	Level 3 £	Total £
Financial liabilities				
Loans and borrowings	-	32,318,044	-	32,318,044
	-	32,318,044	-	32,318,044

During the years ended 31 March 2021 and 2020, there have been no transfers between Level 1, Level 2 and Level 3 fair value measurements.

#### 16 Financial instruments

	2021 £	2020 £
<b>Carrying amount of financial assets</b>		
Measured at amortised cost:		
- Trade and other receivables	100	100
Measured at fair value through profit or loss:		
- Amounts due by subsidiary undertaking (incl. accrued interest)	22,639,219	32,318,044
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost:		
- Trade and other payables	51,618	20,145
Measured at fair value through profit or loss		
- Loans and borrowings (loan from parent undertaking incl. accrued interest)	22,639,219	32,318,044

The company is exposed through its operations to the following risks:

- Liquidity risk

The Company is exposed to risks that arise from its use of financial instruments. This and the following notes describe 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 the previous periods.

# OSW CO HOLDINGS 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 16 Financial instruments

(Continued)

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 achieving the Company's objectives.

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 in the following notes.

### 17 Liquidity risk

The following table details the remaining contractual maturity for the company's financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the company may be required to pay.

	Less than 1 year	No fixed repayment date	Total
	£	£	£
<b>At 31 March 2020</b>			
Trade and other payables	20,145	-	20,145
Loan from parent undertaking	-	32,318,044	32,318,044
	<u>20,145</u>	<u>32,318,044</u>	<u>32,338,189</u>
<b>At 31 March 2021</b>			
Trade and other payables	51,618	-	51,618
Loan from parent undertaking	-	22,639,219	22,639,219
	<u>51,618</u>	<u>22,639,219</u>	<u>22,690,837</u>

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

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 1.2 for its going concern assessment.

### 18 Capital risk management

The capital of the company is represented by the Equity. The company's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the company. The directors monitor and review the broad structure of the company's capital on an on-going basis.

# OSW CO HOLDINGS 3 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 19 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and not fully paid				
Ordinary shares of £1 each	100	100	100	100

The Company has only issued ordinary shares as at 31 March 2021.

As at 31 March 2021, the share capital amounting to £100 (2020: £100), is represented by 100 unpaid ordinary shares (2020:100) with a nominal value of £1.00 per share.

There is no share premium in the Company as at the reporting date.

#### 20 Related party transactions

At 31 March 2021, the Company owed the subsidiary, OSW Co Investments Limited an amount of £100 (2020: £100) related to unpaid share capital.

At 31 March 2021, the Company owed its parent company OSW Co Holdings 2 Limited £22,639,219 (2020: £32,318,044) including accrued interest of £86,504 (2020: £1,319,762). £1,921,174 (2020: £1,319,762) has been recognised as a finance cost in the Statement of Comprehensive Income during the year.

The Company also owed an amount at 31 March 2021 of £14,178 (2020: £Nil) to OSW Co Holdings 2 in respect of invoices paid on behalf of the Company.

At 31 March 2021, the Company had a receivable of £100 (2020: £100) from its shareholder OSW Co Holdings 2 Limited in respect of the initial share capital.

At 31 March 2021, the Company was owed the amount of £22,639,219 (2020: £32,318,044) from its subsidiary OSW Co Investments Limited, including accrued interest of £86,504 (2020: £1,319,762). £1,921,174 (2020: £1,319,762) has been recognised as finance income in the Statement of Comprehensive Income during the year.

#### 21 Controlling party

As at 31 March 2021, the Company's immediate parent undertaking is OSW Co Holdings 2 Limited and its ultimate parent company and ultimate controlling party is UK Green Investment Rampion Limited, a company incorporated and domiciled in the United Kingdom and registered in England and Wales.

The smallest and largest undertaking for which the Company is a member and for which group financial statements are prepared is UK Green Investment Rampion Limited.

Copies of the financial statements of both the immediate parent undertaking and the ultimate parent company are available from Companies House ([www.betacompanieshouse.gov.uk](http://www.betacompanieshouse.gov.uk)).