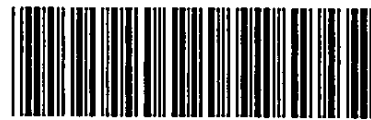


Registered number. 07254492

OPW HOLDCO LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

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OPW HOLDCO LIMITED

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OPW HOLDCO LIMITED

COMPANY INFORMATION

DIRECTORS	Mr D Van Alphen Mr J C A Vaccaro (resigned 30 June 2013) Mr J A Bromley
COMPANY SECRETARY	Mr B A French
REGISTERED NUMBER	07254492
REGISTERED OFFICE	Triodos Bank Deanery Road Bristol Avon BS1 5AS
INDEPENDENT AUDITOR	Deloitte LLP Chartered Accountants and Statutory Auditor London UK
ACCOUNTANTS	Smith & Williamson LLP 25 Moorgate London EC2R 6AY

OPW HOLDCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and the financial statements for the year ended 31 December 2012

PRINCIPAL ACTIVITIES

The principal activity of the Company is an investment in an associate undertaking, Walney (UK) Offshore Wind Farm Limited, and the resale of the Company's share of the electricity generated by this undertaking

GOING CONCERN

The Company is an obligor in respect of its debt facilities with Lloyds TSB, however it does generate sufficient revenues and cash flows to meet interest costs and repay the debt facilities as scheduled. The directors of the Company have reasonable expectation that the Company will continue to operate at a level sufficient to meet its obligations in the foreseeable future, and the directors continue to adopt the going concern basis of accounting.

Further details regarding the adoption of the going concern basis can be found in Note 1 in the financial statements.

DIRECTORS

The directors who served during the year were

Mr D Van Alphen
Mr J C A Vaccaro (resigned 30 June 2013)
Mr J A Bromley

The Company has made qualifying third party indemnity promises for the benefit of its directors which were made during the year and remain in force at the date of this report.

FINANCIAL RISK MANAGEMENT

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

The company's principal financial assets are investments. Its credit risk is primarily attributable to recoverability of the carrying amount of the investments. The amount presented in the balance sheet is net of provisions for impairment. A provision for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. Regularly, throughout the year and as at 31 December 2012, the carrying amount of the investment was examined for impairment, by reviewing financial information and cash flow predictions.

The Company has significant concentration of credit risk, as it is concentrated in one investment.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for on-going operations and future developments, the Company relies on extensive cash flow forecasting. The Company has completed a refinancing arrangement during the year to provide the funding required for the ongoing conduct of the business.

The Company seeks to ensure that both the principal and interest payment for the re-finance debt position are covered with sufficient incoming cash flows, in the cash flow forecast.

OPW HOLDCO LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012**

Interest risk

The Company is not exposed to substantial interest rate risk because as at the year ended 31 December 2012, it only borrows funds at a fixed interest rate. It does not use derivative financial instruments for speculative purposes.

DISCLOSURE OF INFORMATION TO THE AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the Board and signed on its behalf

Mr D Van Alphen
Director

Date

Mr J A Bromley
Director

Date

27-9-13

27.9.13

OPW HOLDCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent, 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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 the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

OPW HOLDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OPW HOLDCO LIMITED

We have audited the financial statements of OPW Holdco Limited for the year ended 31 December 2012, set out on pages 7 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

EMPHASIS OF MATTER

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 1 to the financial statements concerning the Company's ability to continue as a going concern. The Company incurred a net loss of £12,832,537 (2011: £10,055,842) during the year ended 31 December 2012 and, at that date, the Company's net liabilities exceeded its net assets by £7,631,067 (2011: Net assets of £5,201,470). These conditions indicate the existence of a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

OPW HOLDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OPW HOLDCO LIMITED

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the companies exemption in preparing the Directors' report



Calum Thomson (Senior statutory auditor)

for and on behalf of
Deloitte LLP

Chartered Accountants and Statutory Auditor
London

Date 17 September 2013

OPW HOLDCO LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £	2011 £
TURNOVER	1,2	33,512,572	5,954,753
Cost of sales		<u>(20,582,448)</u>	<u>(5,635,102)</u>
GROSS PROFIT		12,930,124	319,651
Administrative expenses		<u>(2,434,164)</u>	<u>(462,808)</u>
Other operating charges		<u>(35,078)</u>	<u>-</u>
OPERATING PROFIT/(LOSS)	3	10,460,882	(143,157)
Interest payable and similar charges		<u>(23,356,370)</u>	<u>(9,912,685)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(12,895,488)	(10,055,842)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR	10	<u>(12,895,488)</u>	<u>(10,055,842)</u>

There are no recognised gains or losses for the year, other than the profit or loss

The notes on pages 9 to 15 form part of these financial statements

OPW HOLDCO LIMITED
REGISTERED NUMBER: 07254492

BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Investments	5		278,276,326		278,276,078
CURRENT ASSETS					
Debtors	6	12,801,587		3,956,614	
Cash at bank		17,220,377		878,757	
		<u>30,021,964</u>		<u>4,835,371</u>	
CREDITORS amounts falling due within one year	7	(27,042,838)		(161,692,911)	
NET CURRENT ASSETS/(LIABILITIES)			2,979,126		(156,857,540)
TOTAL ASSETS LESS CURRENT LIABILITIES			281,255,452		121,418,538
CREDITORS: amounts falling due after more than one year	8		(288,949,470)		(116,217,068)
NET (LIABILITIES)/ASSETS			<u>(7,694,018)</u>		<u>5,201,470</u>
CAPITAL AND RESERVES					
Called up share capital	9		15,412,987		15,412,987
Profit and loss account	10		(23,107,005)		(10,211,517)
SHAREHOLDERS' (DEFICIT)/FUNDS	11		<u>(7,694,018)</u>		<u>5,201,470</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by

Mr D Van Appen
Director

Date.

27.9.13

Mr J A Bromley
Director

Date.

27-9-13

The notes on pages 9 to 15 form part of these financial statements

OPW HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and preceding year.

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Going concern

At the year end the Company had net current assets of £3,042,000 (2012: Net current liabilities of £156,857,000) including cash balances of £17,220,000 (2012: £879,000). Net liabilities at the same date were £7,631,000 (2012: £5,201,000). Prior to the year end the directors entered into new banking and financing arrangements in order to provide the Company with the necessary working capital and long-term financing facilities. The financial forecasts prepared by the directors show that the Company has the capacity to meet its interest and debt repayment obligations as scheduled and consequently consider it appropriate to prepare the accounts on a going concern basis.

1.3 Cash flow statement

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.4 Turnover

Turnover comprises the income resulting from the resale of the Company's share of electricity generated by its associate undertaking and is recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue is recognised by the Company when it is contractually entitled to receive income upon crystallisation on electricity generated and supplied.

1.5 Investments

Investments in associates are held as fixed assets and are shown at cost less provision for impairment.

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

OPW HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES (continued)

1.7 Financial liabilities and equity

Financial liabilities and equity instruments are classified accounting to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets after deducting all of its liabilities.

1.8 Finance costs

Finance costs of financial liabilities are recognised in the Profit and Loss account over the term of such loans and facilities at a constant rate on the carrying amount.

1.9 Loan issue costs

Costs incurred in raising loan and working capital finance are recognised as a deduction from the gross proceeds of the related loan and working capital finance and are written off in the profit and loss account over the term of the funding to which they relate. The periods involved currently range from one to seven years.

1.10 Derivatives not included at fair value

The Company has derivatives which are not included at fair value in the accounts.

	Principal	Start date	Maturity date
Interest rate swap contracts	£		
SWAP I	59,638,571	18/12/2012	Mandatory Early Termination on 31 December 2019
SWAP II	59,638,571	18/12/2012	Mandatory Early Termination on 31 December 2019
SWAP III	59,638,571	18/12/2012	Mandatory Early Termination on 31 December 2019
	<u>178,915,712</u>		

The Company uses the derivatives to manage its exposure to interest rate movements on its bank borrowings.

The interest rate swap contracts with nominal values of £179 million have fixed interest payments at an average rate of 2.048% for the periods up until 2019, and have floating interest LIBOR based receipts.

OPW HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1 ACCOUNTING POLICIES (continued)

1.11 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain and loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2. TURNOVER

100.0% of the company's turnover (2011 - 100.0%) is attributable to geographical markets outside the United Kingdom.

3 OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging/(crediting)

	2012 £	2011 £
Auditor's remuneration	44,400	92,964
Variable price component	-	(572,000)
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2011 - £NIL)

4. TAXATION

	2012 £	2011 £
UK corporation tax charge on loss for the year	-	-
	<u> </u>	<u> </u>

OPW HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

4. TAXATION (continued)

The Company is subject to UK corporation tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

5. FIXED ASSET INVESTMENTS

	Investments in associates £
Cost or valuation	
At 1 January 2012	278,276,078
Additions	248
At 31 December 2012	<u>278,276,326</u>
Net book value	
At 31 December 2012	<u>278,276,326</u>
At 31 December 2011	<u>278,276,078</u>

Associates

Name	Country of incorporation	Class of shares	Holding	Principal activity
Walney (UK) Offshore Windfarms Limited	United Kingdom	Ordinary	25%	Windfarms business

6. DEBTORS

	2012 £	2011 £
Amounts falling due within one year		
Trade debtors	1,737,883	1,567,578
Amounts owed by group undertakings	79,752	31,215
Other debtors	10,983,952	2,357,821
	<u>12,801,587</u>	<u>3,956,614</u>

As part of the new financing arrangements, the Company incurred initial fees and related charges of £6.3m which were payable at inception of the facilities. These costs have been treated as prepayments and included within Other Debtors and are being amortised over the period of the facilities to which they relate which is between one and seven years.

OPW HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

7. CREDITORS

Amounts falling due within one year

	2012 £	2011 £
Amounts owed to ultimate shareholders	1,873,925	6,920,338
Bank loans and overdrafts	12,390,036	-
Bridge facility	-	143,557,857
Trade creditors	2,892,406	1,454,900
Accrued interest on facilities	9,886,471	9,759,816
	<u>27,042,838</u>	<u>161,692,911</u>

The amounts owed to ultimate shareholders mainly include transaction expenses that were pre-financed by the ultimate shareholders Ampere Project Holding 6 BV £631,420 (2011 £2,679,618) and Stichting Depository PGGM £1,242,505 (2011 £4,042,915). Accrued interest payable is included of £ (2011 £202,691) in respect of these amounts.

On 18 December 2012, a Working Capital facility was provided to the Company as part of the new financing arrangements which was repayable within six months on the basis of excess cash available to the Company at each month end. This facility was repaid on 18th March 2013.

8. CREDITORS

Amounts falling due after more than one year

	2012 £	2011 £
Bank loans	211,884,545	-
Deferred mezzanine facility	-	14,847,143
Mezzanine facility	-	24,304,999
77,064,925 - Preference shares of £1 each	77,064,925	77,064,926
	<u>288,949,470</u>	<u>116,217,068</u>

Included within the above are amounts falling due as follows

	2012 £	2011 £
Between one and two years		
Bank loans	<u>13,334,140</u>	-
Between two and five years		
Bank loans	<u>198,550,405</u>	-

OPW HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

8. CREDITORS:

Amounts falling due after more than one year (continued)

The long-term loan has been provided by Lloyds TSB on 18 December 2012. The loan falls due after 31 December 2019 and is repayable in 6 monthly instalments, the first repayment falling due in June 2013. The interest rate for each period is 3.2% until 31 December 2017 and 4% thereafter.

The Company has issued 77,064,925 preference shares at a nominal value of £1. These were issued to Ampere Holding 6 BV (30,825,970) and to OPW Midco Limited (46,238,955).

Based on articles of association preference shares hold no voting rights at general meetings of the company. Furthermore, a fixed cumulative preferential dividend at the rate of 12% per annum of the issue price shall accrue on each preference share on a daily basis from the issue date of that preference share and shall be paid quarterly in arrears.

The Preference shares are redeemable on the winding up of the Company or on the decision of the directors with agreement of the shareholders.

9. SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
15,412,987 Ordinary shares of £1 each	<u>15,412,987</u>	<u>15,412,987</u>

10. RESERVES

	Profit and loss account £
At 1 January 2012	(10,211,517)
Loss for the financial year	(12,895,488)
At 31 December 2012	<u>(23,107,005)</u>

During the year no dividends have been paid and/or proposed.

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Opening shareholders' funds/(deficit)	5,201,470	(155,673)
Loss for the financial year	(12,895,488)	(10,055,842)
Shares issued during the year	-	15,412,985
Closing shareholders' (deficit)/funds	<u>(7,694,018)</u>	<u>5,201,470</u>

OPW HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

12. CONTINGENT LIABILITIES

The Company has a contingent liability arising from an obligation to financially support its associate, Walney (UK) Offshore Windfarms Ltd should this become necessary. This contingency is seen as low likelihood as it is not expected that Walney Windfarms will require such assistance.

13. RELATED PARTY TRANSACTIONS

The Company entered into a current account agreement with its ultimate shareholders at incorporation which continued in to 2012. The amount owed to the ultimate shareholders at the year end was, Ampere Equity Fund £631,420 (2011: £2,679,619) and Stichting Depository PGGM £1,242,505 (2011: £4,042,915). The original expenses that were incurred on behalf of OPW by its shareholders were incurred at normal market prices and conditions as these expenses originated from (large) third party vendors and service suppliers.

No operational transactions were processed with either the direct or ultimate shareholders directly.

No transactions have taken place between the Company and its directors.

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent company is OPW Midco Limited by virtue of its 100% shareholding in the Company.

The ultimate parent companies are Ampere Project Holding 6 B V and Stichting Depository PGGM incorporated in the Netherlands. The controlling party is Stichting Depository PGGM by virtue of its majority shareholding in the parent company, OPW Topco Limited, which in turn holds a 100% control in OPW Midco Limited.