

# **ORI JV Holdings Limited**

## **ANNUAL REPORT**

**For the period from incorporation on 22 July  
2021 to 31 December 2021**

**Registered number: 13523989**

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ORI JV Holdings Limited

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ORI JV Holdings Limited

## Company Overview

<b>Directors</b>	C Gaydon P E Dias
<b>Company secretary</b>	Octopus Company Secretarial Services Limited
<b>Registered number</b>	13523989
<b>Registered office</b>	6th floor 33 Holborn London England EC1N 2HT
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ

ORI JV Holdings Limited

## Strategic Report

The Directors present their strategic report for ORI JV Holdings Limited (the "Company") for the period from incorporation on 22 July 2021 to 31 December 2021.

### Review of the Business

The Company is a holding company and invests into companies that develop renewable energy assets. Income from the Company's investments will be generated from dividends and from the sale of assets as they move out of the development stage and become ready to start construction.

The financial statements of the Company for the period ended 31 December 2021 are set out on pages 12 to 29. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial assets and liabilities and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006.

### *Results and performance*

The Company's results for the period under review, as set out on pages 12 and 13, show a loss before taxation of £705k and total shareholders' deficit of £705k.

At 31 December 2021, the Company's investments, being a combination of equity and shareholder loan notes, are measured at cost less accumulated impairment losses. As at 31 December 2021, the fair value of Company's investments was £12.7m.

The Company's investment did not generate any income or distribute any cash back to the Company by way of dividends, interest or capital repayments. As at 31 December 2021, the Company had one investment into a development company specialising in offshore wind.

### *Strategy*

The Company, through its investment, seeks to develop renewable energy-assets in the UK and Europe, comprising predominantly assets which generate electricity from renewable energy sources, with a particular focus on onshore and offshore wind farms.

The Company's investment strategy seeks to help accelerate the world towards a net zero future while delivering attractive yield and growth to its shareholder. The Company's ability to invest in assets across numerous countries and technologies provides a number of advantages, including reducing correlations in power prices, diversifying the influence of weather patterns and reducing the reliance on any single regulatory regime.

**Key performance indicators ("KPIs")**

The Board monitors the progress of the Company and its investments by reference to the following KPIs:

KPI's	2021	Commentary
Company loss before tax	<b>£705k</b>	Income from the Company's investments will be generated from the sale of assets as they move out of the development stage and become ready to start construction. Given this is the first year of trading, a trading loss is as expected.
Investment valuation	<b>£12,749k</b>	Investment valuation continues to be equal to cost. This KPI helps the directors to track the capital growth to its shareholder.
<b>No. of construction-ready assets available for sale</b>	<b>£nil</b>	As the investment was only made during the period, development of the assets is still ongoing. It is expected that assets will become available for sale by Q3 2023.

**Principal risks and uncertainties**

The Company has a robust risk management framework: The purpose of the risk management framework is to identify risks and respond with mitigating actions to reduce the potential impacts should the risk materialise:

The Directors considers the following to be the principal risks and financial risks faced by the Company along with the potential impact of these risks and the steps taken to mitigate them.

Risk	Potential Impact	Mitigation
Inflation and interest rates	The revenue and expenditure of the Company's investments are frequently partially index-linked and therefore any discrepancy with the Company's inflation expectations could impact positively or negatively on the Company's cashflows.	Inflation and interest rate assumptions are reviewed and monitored regularly by the Directors in the valuation process.  The Company can utilise interest rate swaps or fixed rate financing to mitigate interest rate risks.
Development	Development project risks associated with delays, increases in costs or ultimate failure to deliver the expected assets to construction-ready status.	The Directors monitor progress of development projects carefully and ensures all costs are managed appropriately. A clear approval processes is in place for any material project cost overruns and contingency spend. Cost and progress analysis of development projects is reported frequently to the Directors.
Construction	Construction project risks associated with the risk of inaccurate assessment of a construction opportunity, delays or disruptions which are outside the Company's control, changes in market conditions, and the inability of contractors to perform their contractual	The Directors monitor construction carefully and undertake extensive due diligence on construction opportunities and has in place clear approval processes for any material construction cost overruns and contingency spend.

	commitments could impact Company performance.	
Power prices	The income and value of the Company's investments may be adversely impacted by changes in the prevailing market prices of electricity and prices achievable for off-taker contracts.	Model assumptions are based on quarterly reports from a number of independent established market consultants to inform on the electricity prices over the longer term.

### **Conflict in Ukraine**

The invasion of Ukraine by Russia has shocked the world, and is causing terrible human suffering. The Directors have reviewed all counterparties and asset service providers to assess exposure to the new sanctions introduced in response to the Russian invasion, and there is no such exposure.

The company does not have any investments in Ukraine, Russia or Belarus, nor does it have inventory or warehousing in those countries, nor supply chain, logistics or suppliers dependent on those countries. All of the company's physical assets are located in the UK, EU or NATO countries, therefore it is not anticipated that the conflict will have a direct impact on the Company's investments.

The war has impacted on gas and other fuel commodity prices including power prices, which have become increasingly volatile. At the time of writing, we have not seen any sign of M&A activity for renewable assets slowing, or of any shift in demand or discount rates for assets in countries where the company has investments.

Various announcements by the EU, the IEA and the UK government have supported renewable generation as a way to prevent European dependence on Russian gas, and more detailed measures to accelerate the rate at which new projects can be permitted are expected.

### **Future developments in the business**

Looking to 2022, there are fresh challenges for investors, with inflation rising and interest rates being increased in response. Whilst the portfolio benefits from significant inflation protection via index-linked revenues, the Directors are mindful of the need to monitor discount rates to ensure risk premia remain appropriate.

The deplorable invasion of Ukraine by Russia also brings a great deal of uncertainty. Whilst the Company's projects have not been directly affected, at this time it is unclear how the conflict could spread. What is clear is that the desire to avoid purchases of Russian oil and gas has led governments across Europe and beyond to seek ways to accelerate the deployment of new renewable capacity.

With the need for new renewable generation therefore as urgent as ever, and the strong pipeline of investment opportunities identified, the Company is very well positioned to continue growing, providing genuine positive impact by bringing additional generation capacity into operation, whilst delivering attractive returns to investors.

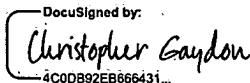
As such, the Directors expect the activity and performance of the Company to be satisfactory in the forthcoming year and are not aware of any potential circumstance that would adversely affect operations.

## Section 172(1) Statement

The Directors view the key stakeholders of the Company to be shareholders, suppliers, and key stakeholders of the investments that are made. When making decisions, each Director ensures that he acts in the way he considers, in good faith and would most likely promote the Company's success for the benefit of its members as a whole. See table below:

Section 172 (1) Statement Area Reference	Reference
a) The likely consequences of any decision in the long term	When making decisions, the Directors give careful consideration to the impact of those decisions on both the broader stakeholders. This is achieved by considering any new deals or suppliers on a case by case basis and assessing the impact on the long-term objectives of the Company, as well as the impact on and reputation of the other party. In doing so, the Directors also consider the impact on other stakeholders, in particular the shareholders.
b) The interests of the Company's employees	The Company does not have any employees.
c) The need to foster the Company's business relationships with suppliers, customers, and others	The Company acts in a fair manner with all suppliers and seeks to maintain strong business relationships with them. This is achieved by all contracts being negotiated through fair and transparent tender process' which includes an assessment of the impact on the long-term objectives of the Company.
d) The impact of the Company's operations of the community and environment	Through the activities in which the Company operates, a positive contribution is made to the environment and economy through generation of renewable energy, helping the UK meet its renewable energy targets.
e) The desirability of the Company maintaining a reputation for high standards of business conduct	The Company ensures that outsourced activities are with reputable suppliers who meet all the relevant industry and regulatory commitments as well as treating employees fairly. This is stated in agreements with outsourcers and adherence to this is monitored by the Company's Directors.
f) The need to act fairly as between members of the Company	The Group treats all suppliers and customers fairly, endeavouring to pay invoices within the terms of the contract. Any disputes are resolved promptly with key relationship personnel.

On behalf of the board

DocuSigned by:  
  
 C Gaydon  
 Director  
 20 December 2022

ORI JV Holdings Limited

## **Directors' Report**

The Directors present their report and audited financial statements for the period from incorporation on 22 July 2021 to 31 December 2021.

### **Principal activities**

The Company is a holding company and invests into companies that develop renewable energy assets. Income from the Company's investments will be generated from the sale of assets as they move out of the development stage and become ready to start construction.

### **Strategic report**

The Directors' Report should be read in conjunction with the Strategic Report on pages 2 to 5.

### **Results and dividends**

The results for the period are set out in the Statement of Comprehensive Income set out on page 12.

During the period, the Company did not declare nor pay a dividend.

### **Directors**

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

C Gaydon  
P E Dias  
Octopus Company Secretarial Services Limited

The Directors did not receive any remuneration in respect of their services to the Company during the current period.

### **Donations**

The Company made no political donations during the current period.

### **Going concern review**

The Directors, in their consideration of going concern, have reviewed comprehensive cash flow forecasts of the Company and its investments which are based on prudent market data and believe, based on those forecasts, the assessment of the principal risks described in this report, and the financial support that will be provided by the Company's JV partners that it is appropriate to prepare the financial statements of the Company on the going concern basis.

The Company received no income in the current period but expects to receive revenue in the form of dividends and interest from its investment in the near future. These revenues will be derived from the sale of construction-ready assets once these assets have successfully moved on from the development stage.



ORI JV Holdings Limited

With the financial support of its JV partners for a period of at least 12 months from the date of these financial statements, the Directors have considered it appropriate to prepare the financial statements of the Company on a going concern basis.

### **Disclosure of information to the auditors**

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and that each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### **Independent auditors**

The Company's auditors, PricewaterhouseCoopers LLP, were appointed in the period and have expressed their willingness to continue in office as auditors for the forthcoming year.

### **Post balance sheet events**

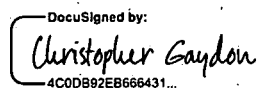
On 16 November 2022, the Company invested a further €12.5m in Simply Blue Holdings Limited, a company registered in Ireland, increasing its shareholding to 34.2% (2021: 25.6%).

### **Strategic report**

The following information has been disclosed in the strategic report:

- Business review
- Financial risk management
- Principal risks and uncertainties
- Future developments in the business
- Key performance indicators

On behalf of the Board

DocuSigned by:  
  
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C Gaydon

Director

20 December 2022

ORI JV Holdings Limited

Independent auditors' report

## Statement of directors' responsibilities in respect of the financial statements

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

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 United Kingdom Accounting Standards, comprising FRS 102 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.

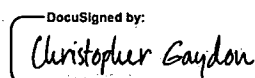
The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the 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.

On behalf of the Board

DocuSigned by:  
  
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C Gaydon

Director

20 December 2022

ORI JV Holdings Limited

Independent auditors' report

# Independent auditors' report to the members of ORI JV Holdings Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, ORI JV Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss and cash flows for the period from 22 July 2021 to 31 December 2021;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); 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, which comprise: Statement of Financial Position as at 31 December 2021; the Statement of Comprehensive Income; the Statement of Changes in Equity and the Statement of Cash Flows for the period 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

## ORI JV Holdings Limited

## Independent auditors' report

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 Strategic report and Director's 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.

### Strategic report and Director's report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Director's report for the period ended 31 December 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 Strategic report and Director's 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 director's responsibilities in respect of the financial statements, 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 UK Tax Legislation and 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 journals to overstate profit. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of board minutes;
- Review of legal expenditure in the year to identify potential non-compliance with laws and regulation;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

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

**ORI JV Holdings Limited**

**Independent auditors' report**

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.



Jonathan Greenaway (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne

10 December 2022

# Statement of Comprehensive Income

For the period from incorporation on 22 July 2021 to 31 December 2021

	Note	Total £'000
<b>Gross profit</b>		-
Administrative expenses	4	(88)
<b>Operating loss</b>		<b>(88)</b>
Interest payable and similar expenses	5	(617)
<b>Loss before taxation</b>		<b>(705)</b>
Taxation	6	-
<b>Loss for the period</b>		<b>(705)</b>
<b>Loss and total comprehensive expense for the period</b>		<b>(705)</b>

All items in the above statement derive from continuing operations.

The accompanying notes are an integral part of these financial statements.

ORI JV Holdings Limited

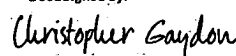
Financial Statements

# Statement of Financial Position

As at 31 December 2021

		As at 31 December 2021 £'000
	Note	
<b>Fixed Assets</b>		
Investments	7	12,749
<b>Current assets</b>		
Cash at bank and in hand		-
<b>Creditors: amounts falling due within one year</b>		
Trade and other payables	8	(621)
<b>Net current liabilities</b>		<b>(621)</b>
<b>Total assets less current liabilities</b>		<b>12,128</b>
<b>Creditors: amounts falling due after more than one year</b>		
Amounts owed to group undertakings	9	(12,833)
<b>Net liabilities</b>		<b>(705)</b>
<b>Capital and reserves</b>		
Called up share capital	10	-
Profit and loss account		(705)
<b>Total Shareholders' deficit</b>		<b>(705)</b>

The financial statements on pages 12 to 22 were approved by the Board of Directors on 20 December 2022 and signed on its behalf by:

DocuSigned by:  
  
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C Gaydon  
 Director  
 20 December 2022

The accompanying notes are an integral part of these financial statements.

Incorporated in England and Wales with registered number 13523989

## Statement of Changes in Equity

For the period from incorporation on 22 July 2021 to 31 December 2021

	Note	Share capital £'000	Profit and loss account £'000	Total £'000
<b>Opening equity on incorporation on 22 July 2021</b>		-	-	-
Equity issued within the period	10	-	-	-
Loss for the period		-	(705)	(705)
<b>Closing equity as at 31 December 2021</b>		-	(705)	(705)



# Statement of Cash Flows

For the period from incorporation on 22 July 2021 to 31 December 2021

	Note	£'000
<b>Cash flow from operating activities</b>		
Loss before taxation		(705)
<b>Adjustments for:</b>		
Interest paid	5	617
Increase in trade payables	8	621
<b>Net cash flow from operating activities</b>		<b>533</b>
<b>Cash flow from investing activities</b>		
Purchase of investments	7	(12,749)
Interest paid		(617)
<b>Net cash flow used in investing activities</b>		<b>(13,366)</b>
<b>Cash flow from financing activities</b>		
Shareholder loan received		12,833
<b>Net cash flow from financing activities</b>		<b>12,833</b>
<b>Net increase in cash and cash equivalents</b>		<b>-</b>
Cash and cash equivalents at start of period		-
<b>Cash and cash equivalents at end of period</b>		<b>-</b>

The accompanying notes are an integral part of these financial statements.

# Notes to the Financial Statements

For the period from incorporation on 22 July 2021 to 31 December 2021

## 1. General Information

ORI JV Holdings Limited (the "Company") is a private company, limited by shares, incorporated and domiciled in England, United Kingdom with registration number 13523989. The registered office is 6th Floor, 33 Holborn, London, EC1N 2HT.

The Company is a holding company and invests into companies that develop renewable energy assets. Income from the Company's investments will be generated from the sale of assets as they move out of the development stage and become ready to start construction.

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ('FRS 102') and the Companies Act 2006.

## 2. Basis of Preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial assets and liabilities and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling, which is the Company's functional currency and are rounded to the nearest thousand, unless otherwise stated. They have been prepared on the basis of the accounting policies, significant judgements, key assumptions and estimates as set out below. The principal accounting policies adopted are set out below. These policies are consistently applied.

### Going concern

As detailed on page 6 of the Directors' Report, with the financial support of the Company's JV Partners, the Directors are satisfied that the Company has sufficient resources to continue to operate for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

### Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed regularly on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Significant estimates, judgements and assumptions for the period are set out below.

#### i) Impairment of investments

The value of investments in associate undertakings held by the Company is reviewed annually for impairment. The recoverability of these balances is considered with reference to the present value of the estimated future cash

**2. Basis of Preparation (continued)**

flows. These calculations use cash flow projections which extend forward forecasted business performance together with assumptions surrounding the expected life of the asset, externally prepared forecasts and valuations, and any adjustments required to the discount rate to take account of business risk.

The estimated present value of these future cash flows is sensitive to the discount rate and growth rate used in the calculation, all of which require management's judgement. Testing of the carrying value has been performed during the period, which has involved several scenarios being modelled. Based on this testing, management believes there is sufficient headroom to support the carrying value of investments, although it is possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from the assumptions used could require a material adjustment to the carrying amount of assets.

The discount rates used in the valuation exercise represent the Directors' assessment of the rate of return in the market for assets with similar characteristics and risk profile. The discount rates are reviewed quarterly and updated, where appropriate, to reflect changes in the market and in the project risk characteristics.

Short to medium term inflation assumptions used in the valuations are based on third party forecasts. In the longer term, an assumption is made that inflation will increase at a long-term rate.

**3. Significant Accounting Policies****a) Financial instruments**

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

**Financial assets**

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost.

At the end of each reporting year financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets' original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in statement of comprehensive income.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

**3. Significant Accounting Policies (continued)**

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (iii) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**Financial liabilities**

Basic financial liabilities, including trade and other payables and loans from fellow group undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**b) Taxation**

Tax is recognised in the statement of income and retained earnings, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### **c) Expenses**

All expenses are accounted for on an accrual basis.

### **3. Significant Accounting Policies (*continued*)**

#### **d) Foreign currency**

##### **Functional currency and presentation currency**

The financial statements are presented in Pounds Sterling which is the Company's functional and presentation currency. The Directors consider Sterling the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions.

##### **Transactions and balances**

Transactions denominated in foreign currencies are translated into Sterling at actual exchange rates as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the period end are reported at the rates of exchange prevailing at the period end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss to capital or revenue in the Statement of Comprehensive Income as appropriate. Foreign exchange movements on investments are included in the Capital account of the Statement of Comprehensive Income.

#### **e) Investments**

The Company holds investments at cost less accumulated impairment losses. If an impairment loss is subsequently reversed, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying

## ORI JV Holdings Limited

## Notes to the Financial Statements

amount that would have been determined had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

**f) Cash and cash equivalents**

Cash and Cash Equivalents includes deposits held with banks and other short-term deposits with original maturities of three months or less. It is a highly liquid investment and readily convertible to a known amount of cash, and carries an insignificant risk of changes in value.

**4. Administrative expenses**

	For the period from incorporation on 22 July 2021 to 31 December 2021 £'000
Audit fees payable to the Company's auditors	5
Other administrative expenses	83
<b>Total administrative expenses</b>	<b>88</b>

The Company has no employees. No director received any form of remuneration in lieu of their services to the Company in the current period.

**5. Interest payable and similar expenses**

	For the period from incorporation on 22 July 2021 to 31 December 2021 £'000
Interest payable on shareholder loan	617
<b>Total interest payable</b>	<b>617</b>

**6. Taxation****(a) Analysis of charge in the period**

	For the period from incorporation on 22 July 2021 to 31 December 2021 £'000
UK Corporation tax credit on loss for the period	-
<b>Tax charge for the period</b>	<b>-</b>

**(b) Factors affecting total tax charge for the period:**

## ORI JV Holdings Limited

## Notes to the Financial Statements

The effective UK corporation tax rate applicable to the Company for the period is 19%. The tax charge can be reconciled to the profit before tax in the profit and loss account as follows:

	For the period from incorporation on 22 July 2021 to 31 December 2021 £'000
<b>Loss before taxation</b>	<b>(705)</b>
Corporation tax at 19%	(134)
<b>Effects of:</b>	
Unutilised gains carried forward	134
<b>Total tax charge for the period</b>	<b>-</b>

**7. Investments**

	For the period from incorporation on 22 July 2021 to 31 December 2021 £'000
<b>Cost and net book value</b>	
Opening balance	-
Investments acquired	12,749
Impairments	-
<b>As at the end of the period</b>	<b>12,749</b>

**7. Investments (continued)**

The Directors believe that the carrying value of the investments is supported by their underlying net assets or expected future cash flows.

On 4 August 2021, the Company purchased a 25% stake in Simply Blue Holdings Limited, a company registered in Ireland with a registered office at Woodbine Hill, Kinsaleberg, Youghall, Co.Cork, Ireland. The principal activity of this company is the development of renewable energy assets throughout the UK and Ireland.

**8. Trade and other payables**

	As at 31 December 2021 £'000
Accrued interest payable	617
Accrued expenses	4
<b>Total</b>	<b>621</b>

## ORI JV Holdings Limited

## Notes to the Financial Statements

**9. Amounts owed to group undertakings**

Amounts owed to group undertakings represent a shareholder loan due to the Company's JV partners, ORIT Holdings Limited and Sky Renewables S.a.r.l. Each loan is unsecured and bears interest at 5% and fall due for repayment in July 2031. These are non-instalment debts.

	As at 31 December 2021			Total £'000
	Less than 1 year £'000	1-5 years £'000	More than 5 years £'000	
Amounts owed to group companies	-	-	12,833	12,833
<b>Total</b>	-	-	<b>12,833</b>	<b>12,833</b>

**10. Called up share capital**

	Number of shares	Nominal value of shares (£)
<b>Allotted, issued and fully paid:</b>		
<i>Allotted on incorporation</i>		
Ordinary Shares of £1 each	2	2
<b>Ordinary Shares at 31 December 2021</b>	<b>2</b>	<b>2</b>

**11. Financial instruments**

The Company has the following financial instruments – all of which are measured at amortised cost:

	As at 31 December 2021		
	Interest bearing £'000	Non-interest bearing £'000	Total £'000
<b>Carrying amount of financial liabilities</b>			
Trade and other creditors	-	(621)	(621)
Amounts owed to related undertaking	(12,833)	-	(12,833)
<b>Total liabilities</b>	<b>(12,833)</b>	<b>(621)</b>	<b>(13,454)</b>

**12. Controlling party**

ORI JV Holdings Limited is owned 50% by ORIT Holdings Limited and 50% by Sky Renewables S.a.r.l. As such, there is no ultimate controlling party.



### **13. Post balance sheet events**

On 16 November 2022, the Company invested a further €12.5m in Simply Blue Holdings Limited, a company registered in Ireland, increasing its shareholding to 34.2% (2021: 25.6%).