

CUBICO SUSTAINABLE INVESTMENTS HOLDINGS 3, LP

Registered number LP019000

Annual report and financial statements

For the year ended 31 December 2021

Cubico Sustainable Investments Holdings 3, LP

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Cubico Sustainable Investments Holdings 3, LP

General Partner's report

General information

Cubico Sustainable Investments Holdings 3, LP (the "Partnership") is a limited partnership established in England on 11 December 2017 and domiciled in the United Kingdom. The General Partner of the Partnership is Cubico Sustainable Investments GP 1 Limited. Under the Partnership Agreement, the General Partner has the sole and exclusive right to manage the business of the Partnership, including all investment activities, and has all of the rights and powers which may be possessed by a General Partner under the Limited Partnerships Act 1907.

References in this report to "Cubico" or "Group" mean Cubico Sustainable Investments GP 1 Limited, and together with the limited partnerships, holding companies and investments, the "Group".

Principal activities

The objective of the Partnership is to provide financing to an investment portfolio of renewable energy infrastructure assets operating predominately in Mexico, or to carry on such other business as the General Partner may, in its absolute discretion, determine.

Registered office and principal place of business

The address of the Partnership's registered office and principal place of business is 70 St Mary Axe, London, England, EC3A 8BE.

Independent Auditors

PricewaterhouseCoopers LLP
40 Clarendon Road,
Watford,
Hertfordshire,
WD17 1JJ

Post balance sheet events

Refer to note 12: Events occurring after the reporting period.

Principal risks and uncertainties

Financial risk management

Information on the management of financial risk are disclosed in note 15 to the financial statements.

Covid-19 (Coronavirus) outbreak

Refer to note 2b: Going concern.

Cubico Sustainable Investments Holdings 3, LP

General Partner's report (continued)

Statement of going concern

The business activities are set out above. The financial position of the Partnership is set out in the financial statements.

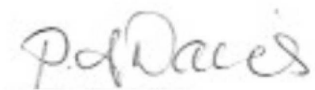
The Partnership currently meets its working capital requirements through its intercompany funding. A related party and the Partnership's sole current creditor, Cubico Sustainable Investments Limited has provided a letter of financial support that it would not recall the loan in the next 12 months from the date of approval of the financial statements.

After making enquiries, the Partners have a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. The Partnership therefore continues to adopt the going concern basis in preparing its financial statements.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The Partnership has also taken advantage of the small companies exemption from preparing a Strategic Report and Statement of Cash Flows.

Approved by the General Partner and authorised for issue on 31 March 2022.



Priscilla Davies
For and on behalf of
Cubico Sustainable Investments GP 1 Limited

Cubico Sustainable Investments Holdings 3, LP

Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the Annual report and financial statements in accordance with applicable law and regulation.

Company law, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations"), requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has 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).

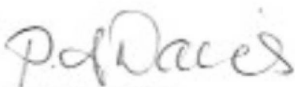
Under company law, as applied to limited liability partnerships, a general partner must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period. In preparing the financial statements, the General Partner is 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 partnership will continue in business.

The General Partner is responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner is also responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 2006.

Approved by the General Partner and authorised for issue on 31 March 2022.



Priscilla Davies
For and on behalf of
Cubico Sustainable Investments GP 1 Limited

Independent auditors' report to the partners of Cubico Sustainable Investments Holdings 3, LP

Report on the audit of the financial statements

Opinion

In our opinion, Cubico Sustainable Investments Holdings 3, LP's financial statements:

- give a true and fair view of the state of the partnership's affairs as at 31 December 2021 and of its profit for the year then ended;
- 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

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 December 2021; the Income statement and the Statement of changes in net (liabilities)/assets attributable to the partners 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 partnership 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 partnership'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 general partner's 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 partnership's ability to continue as a going concern.

Our responsibilities and the responsibilities of the general partner 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 general partner is 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 Strategic report and General Partner's Report, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 as applied to qualifying partnerships requires us also to report certain opinions and matters as described below.

Strategic report and General Partner's Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and General Partner's Report for the year 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 partnership and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and General Partner's Report.

Responsibilities for the financial statements and the audit

Responsibilities of the general partner for the financial statements

As explained more fully in the Statement of General Partner's responsibilities in respect of the financial statements, the general partner is 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 general partner is 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 general partner is responsible for assessing the partnership'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 general partner either intends to liquidate the partnership or to cease operations, or has 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 partnership and industry, we identified that the principal risks of non-compliance with laws and regulations related to environmental regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and UK tax legislation. 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. Audit procedures performed by the engagement team included:

- Challenging the assumptions and judgments made by management in their significant accounting estimates.
- Discussions with Management and Directors, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Inquiring of the in-house legal counsel and the tax personnel for compliance with the laws and regulations including UK tax legislation.
- Reviewing the minutes of meetings of those charged with governance.
- Evaluation of management's controls designed to prevent and detect irregularities by performing walkthroughs over controls to understand the controls. However, we have not relied on controls as substantive procedures are determined to be more effective for this audit.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.
- Perform unpredictable procedures to address the risk of fraud.

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. 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 partners of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 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.

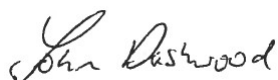
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 as applied to qualifying partnerships 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 partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of general partner's 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.



John Dashwood (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Watford

1 April 2022

Cubico Sustainable Investments Holdings 3, LP

Income statement

For the year ended 31 December 2021

Continuing operations	Note	Year ended 31 Dec 2021 \$'000	Year ended 31 Dec 2020 \$'000
Interest income	6	14,664	14,867
Operating profit		14,664	14,867
Other financial loss	7	-	(205)
Increase in net assets attributable to the Partners from operations		14,664	14,662

The Partnership has no recognised gains or losses other than the profit for the year. The results for the year have been calculated on an historical cost basis.

The above income statement should be read in conjunction with the accompanying notes.

Cubico Sustainable Investments Holdings 3, LP

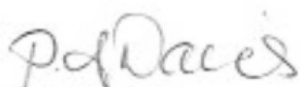
Statement of financial position

As at 31 December 2021

	Note	31 Dec 2021 \$'000	31 Dec 2020 \$'000
ASSETS			
Fixed assets			
Trade and other receivables	8	144,514	142,394
Total fixed assets		144,514	142,394
Current assets			
Trade and other receivables	8	15,784	6,122
Cash and cash equivalents	9	-	2,217
Total current assets		15,784	8,339
LIABILITIES			
Creditors – amounts falling due within one year	10	(16,372)	(21,471)
Net current liabilities		(588)	(13,132)
Total assets less current liabilities		143,926	129,262
NET ASSETS ATTRIBUTABLE TO THE PARTNERS		143,926	129,262

The above statement of financial position should be read in conjunction with the accompanying notes.

Approved by the General Partner and authorised for issue on 31 March 2022.



Priscilla Davies
For and on behalf of
Cubico Sustainable Investments GP 1 Limited

Cubico Sustainable Investments Holdings 3, LP

Statement of changes in net (liabilities)/assets attributable to the partners

For the year ended 31 December 2021

	General Partner \$'000	Limited Partners \$'000	Total \$'000
Net (liabilities)/assets attributable to the partners at 1 January 2020	(3)	114,603	114,600
Increase in net assets attributable to the partners from operations	7	14,655	14,662
Net assets attributable to the partners at 31 December 2020	4	129,258	129,262
Increase in net assets attributable to the partners from operations	7	14,657	14,664
Net assets attributable to the partners at 31 December 2021	11	143,915	143,926

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Cubico Sustainable Investments Holdings 3, LP

Notes to the financial statements

1. Corporate information

Cubico Sustainable Investments Holdings 3, LP is a limited partnership established in England on 11 December 2017 and domiciled in the United Kingdom. The address of its registered office is 70 St Mary Axe, London, England, EC3A 8BE.

2. Basis of preparation

(a) Basis of preparation and statement of compliance

The financial statements have been prepared under the historical cost convention unless specified within these accounting policies and in accordance with Financial Reporting Standard 102 ('FRS 102'), the Financial Reporting Standard Applicable in the UK and Republic of Ireland and the companies Act 2006.

The financial statements are prepared on a going concern basis and are presented in US Dollars rounded to the nearest thousand dollars (\$'000) except as otherwise indicated.

(b) Going concern

The financial statements have been prepared on a going concern basis.

The Partnership currently meets its working capital requirements through intercompany funding.

The General Partner has concluded, after making enquiries, that it has a reasonable expectation that the Partnership has access to adequate resources to enable it to continue in operational existence for the foreseeable future. For these reasons, it continues to adopt the going concern basis in preparing the annual report and financial statements.

COVID-19 (Coronavirus)

The COVID-19 pandemic that dominated 2020 continued through 2021 and persists into 2022. Whilst COVID-19 has disrupted life for individuals, businesses and society, given the nature of Cubico's assets, we were able to continue generating electricity and have to date not seen a material impact to operations.

Cubico's crisis management teams and business continuity plans responded swiftly and effectively to the outbreak of COVID-19, taking all possible steps to protect and support our team, contractors and all affected stakeholders. We continue to monitor the risks to our business.

Liquidity

The liquidity forecast for the Cubico Group is robust, with high levels of contracted revenues and high credit off-takers (mostly government backed and investment grade) with strong finances and credit ratings.

Suppliers

No major issues have been identified with Cubico's suppliers. Since the outbreak, Cubico has focussed on supply chain management and spares at operational sites. To date, no material issues have been identified but delivery dates for some major components in certain geographies have been extended as a result of the outbreak.

Construction, Operations & Maintenance and Asset Management

Construction has continued without major delay on our projects. We continue to monitor Government advice for the construction industry.

Cubico continues to operate and maintain its assets safely and to a high standard. The key factors remain the availability of people and/or restrictions on movements. To date there is no material impact, but the risk of loss of availability persists until all restrictions are lifted.

Despite the COVID-19 pandemic, Management have a reasonable expectation that the Group has adequate resources such that the Group's activities are sustainable for the foreseeable future and that it is appropriate to adopt a going concern basis of accounting in preparing the annual financial statements.

Cubico Sustainable Investments Holdings 3, LP

Notes to the financial statements (continued)

3. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The partnership has adopted FRS 102 in these financial statements.

(a) Interest income

Interest income is recognised using the effective interest rate ('EIR') method.

When a loan and receivable is impaired, the Partnership reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

(b) Financial Instruments

The Company has chosen to adopt both the recognition and measurement provisions and disclosure requirements of Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Cash and short-term deposits

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of three months or less and bank overdrafts.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the EIR method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the income statement.

Losses arising from impairment are recognised in the income statement in other operating expenses.

(iii) Trade and other payables

Trade and other payables are carried at amortised cost. They represent unsecured liabilities for goods and services provided to the Partnership prior to the end of the financial year that are unpaid and arise when the Partnership becomes obligated to make future payments in respect of the purchase of those goods and services.

(c) Taxation

The Partnership is domiciled in the United Kingdom. Under the current laws, there is no income, estate, corporation, capital gains or other taxes payable by the Partnership.

Any tax liability arising on the activities of the Partnership will be borne by the individual partners.

The General Partner has assessed the risk of specific identifiable uncertain tax positions as low and as a result has identified no matters that require further disclosures in the financial statements.

(d) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Partnership are measured using the currency of the primary economic environment in which the Partnership operates (the "functional currency"). The financial statements are presented in US Dollars (\$), which is also the Partnership's functional currency.

Cubico Sustainable Investments Holdings 3, LP

Notes to the financial statements (continued)

3. Significant accounting policies (continued)

(e) Significant accounting judgements, estimates and assumptions

The preparation of the Partnership's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Partnership has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements.

Recoverability of receivables and impairment

At each reporting date, the Partnership assesses whether there is an indication that loan receivables may be impaired by comparing the nominal value of loan receivables to the total forecasted distributions per the year-end valuation process. If any indication exists, the Partnership estimates the recoverable amount of the loan receivable.

When the carrying amount of a loan receivable exceeds its recoverable amount, the loan receivable is considered impaired and is written down to its recoverable amount.

4. Independent auditors' remuneration

Independent auditors' remuneration has been paid by Cubico Sustainable Investments Limited on behalf of all Group companies.

	Year ended 31 Dec 2021 \$'000	Year ended 31 Dec 2020 \$'000
Fees payable to the Partnership's auditors for the audit of the Partnership's financial statements	14	10
Total independent auditors' remuneration	14	10

5. Employees

The Partnership had no employees in the current financial year (2020: nil).

6. Interest income

	Year ended 31 Dec 2021 \$'000	Year ended 31 Dec 2020 \$'000
Interest income from related parties	14,664	14,867
Total interest income	14,664	14,867

7. Other financial loss

	Year ended 31 Dec 2021 \$'000	Year ended 31 Dec 2020 \$'000
Net foreign exchange loss	-	205
Other financial loss	-	205

Cubico Sustainable Investments Holdings 3, LP

Notes to the financial statements (continued)

8. Trade and other receivables

	31 Dec 2021		
	Current	Non-current	Total
	\$'000	\$'000	\$'000
Amounts due from related parties	15,784	144,514	160,298
Total trade and other receivables	15,784	144,514	160,298

	31 Dec 2020		
	Current	Non-current	Total
	\$'000	\$'000	\$'000
Amounts due from related parties	6,122	142,394	148,516
Total trade and other receivables	6,122	142,394	148,516

Amounts due from related parties are unsecured loan notes issued to investments in Mexico. The equity interest in these investments is held by a related party, Cubico Sustainable Investments Limited.

The loans mature between 25 March 2035 and 11 October 2037 and bear average interest of 10.8% per annum.

9. Cash and cash equivalents

	31 Dec 2021	31 Dec 2020
	\$'000	\$'000
Cash at bank	-	2,217
	-	2,217

10. Creditors – amounts falling due within one year

	31 Dec 2021	31 Dec 2020
	\$'000	\$'000
Amounts owed to related party	16,372	21,471
Total amounts falling due within one year	16,372	21,471

Amounts owed to related party, Cubico Sustainable Investments Limited are interest free and repayable on demand.

Due to the short-term nature of the current payables, their carrying value is assumed to approximate their fair value.

11. Contingent liabilities and contingent assets

The Partnership had no contingent liabilities or contingent assets at 31 December 2021 (2020: nil).

12. Events occurring after the reporting period

There were no events subsequent to year end.

Cubico Sustainable Investments Holdings 3, LP

Notes to the financial statements (continued)

13. Net assets attributable to the partners

The tables below gives details about the partners' capital since inception:

	31 Dec 2021		
	General Partner \$'000	Limited Partners \$'000	Total \$'000
Committed capital	-	-	-
Cumulative capital contributions	-	120,916	120,916
Cumulative net capital contributions	-	120,916	120,916
Cumulative net realised gains	11	22,999	23,010
Total net assets attributable to partners	11	143,915	143,926

	31 Dec 2020		
	General Partner \$'000	Limited Partners \$'000	Total \$'000
Committed capital	-	-	-
Cumulative capital contributions	-	120,916	120,916
Cumulative net capital contributions	-	120,916	120,916
Cumulative net realised gains	4	8,342	8,346
Total net assets attributable to partners	4	129,258	129,262

14. Risk management

(a) Capital management

The capital of the Partnership is represented by the net assets attributable to the partners. The Partnership's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for partners and to maintain a strong capital base to support the development of the investment activities of the Partnership.

The General Partner monitors capital on the basis of the value of net assets attributable to the partners.

(b) Financial risk management

The Partnership's principal financial assets and financial liabilities comprise trade and other receivables (note 8), cash and cash equivalents (note 9) and amounts owed to related party (note 10) which arise directly from its operations. The main purpose of these financial instruments is to manage short-term cash flow and provide finance for the Partnership's operations.

The main risks that could adversely affect the Partnership's financial liabilities or future cash flows are credit risk and liquidity risk.

Cubico Sustainable Investments Holdings 3, LP

Notes to the financial statements (continued)

14. Risk management (continued)

(c) Credit risk

Credit risk refers to the risk that a third party will default on its contractual obligations resulting in financial loss to the Partnership. The Partnership's maximum exposure to credit risk of third parties is the aggregate of the carrying value of its trade and other receivables.

The Partnership seeks to minimise credit risk by trading only with creditworthy third parties, regularly monitoring receivable balances to minimise the possibility of bad debts and selecting financial institutions with reference to published credit ratings.

	Equivalent S&P rating ¹ A-1 and above \$'000	Internally rated	
		No default customers \$'000	Total \$'000
As at 31 December 2021			
<i>Non-current financial assets</i>			
Trade and other receivables	-	144,514	144,514
<i>Current financial assets</i>			
Trade and other receivables	-	15,784	15,784
Cash and cash equivalents	-	-	-
Net exposure	-	160,298	160,298

	Equivalent S&P rating ¹ A-1 and above \$'000	Internally rated	
		No default customers \$'000	Total \$'000
As at 31 December 2020			
<i>Non-current financial assets</i>			
Trade and other receivables	-	142,394	142,394
<i>Current financial assets</i>			
Trade and other receivables	-	6,122	6,122
Cash and cash equivalents	2,217	-	2,217
Net exposure	2,217	148,516	150,733

¹ The equivalent S&P rating of the financial assets represents the rating of the counterparty with whom the financial asset is held.

(d) Liquidity risk

The Partnership has a liquidity risk arising from the ability to fund its liabilities and project commitments.

This risk is managed by ensuring that the Partnership has sufficient funds to meet those commitments by monitoring the expected total cash inflows and outflows on a continuous basis.

The table below analysis the Partnership's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

	Due within	Due later than one	Due later	Total
	one (1) year \$'000	(1) year but within five (5) years \$'000	than five (5) years \$'000	
As at 31 December 2021				
<i>Non-derivative financial liabilities</i>				
Amounts owed to related party (note 10)	16,372	-	-	16,372
Total	16,372	-	-	16,372

Cubico Sustainable Investments Holdings 3, LP

Notes to the financial statements (continued)

14. Risk management (continued)

(d) Liquidity risk (continued)

As at 31 December 2020	Due within one (1) year \$'000	Due later than one (1) year but within five (5) years \$'000	Due later than five (5) years \$'000	Total \$'000
<i>Non-derivative financial liabilities</i>				
Amounts owed to related party (note 10)	21,471	-	-	21,471
Total	21,471	-	-	21,471

15. Financial Instruments

	31 Dec 2021 \$'000	31 Dec 2020 \$'000
Financial assets that are debt instruments measured at amortised cost		
Amounts owed by related parties (note 8)	160,298	148,516
Financial liabilities measured at amortised cost		
Amounts owed to related parties (note 10)	(16,372)	(21,471)

16. Related party transactions

(a) Transactions with other related parties

	Year ended 31 Dec 2021 \$'000	Year ended 31 Dec 2020 \$'000
Interest income	14,664	14,867
Total	14,664	14,867

(b) Outstanding balances arising on transactions with other related parties

	31 Dec 2021 \$'000	31 Dec 2020 \$'000
Amounts owed by related parties (note 8)	160,298	148,516
Amounts owed to related parties (note 10)	(16,372)	(21,471)
Total	143,926	127,045

Amounts owed to related parties arise from shareholder loans and outstanding trade payables due under normal terms and conditions.