COMPANY REGISTRATION NUMBER: 05861215

Alert Communications Group Holdings Limited

Annual Report and Financial Statements

31 March 2021

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Group Accounts

Alert Communications Group Holdings Limited

Annual Report and Financial Statements

Year Ended 31 March 2021

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Alert Communications Group Holdings Limited

Officers and Professional Advisers

The Board of Directors	James Edenborough John Cavill Peter Sheldrake Richard Drake
Company Secretary	Nicholas Borrett
Registered Office	33 Wigmore Street London England W1U 1QX
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants & Statutory Auditors Level 4 Atria One 144 Morrison Street Edinburgh EH3 8EX
Bankers	Barclays Bank Plc 54 Lombard Street London EC3V 9EX

Alert Communications Group Holdings Limited

Strategic Report

Year Ended 31 March 2021

The Directors present their Strategic Report for the Year Ended 31 March 2021.

Principal Activities

The principal activity of the Company is that of a holding company to Alert Communications (Holdings) Limited.

Review of Business

The directors expect the Alert Communications group of which the company is a member to continue to fulfil its contractual obligations and to operate in line with the Alert Communications Group model. It is expected that this will continue for the foreseeable future and through to the end of the contract concession period.

Covid-19 was declared a pandemic in March 2020 and since then there has been widespread disruption in the UK. The directors have considered the current and future financial impact to the Company of Covid-19, taking into account the sources of income and expenditure. Throughout the pandemic the underlying investment has continued to perform in line with modelled expectations. It is the directors' view that this performance is expected to continue. Although the likely full impact is unknown, and at this stage is not possible to quantify, it is not expected to materially impact on the operations or financial position of the Company.

Future Developments

The directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the performance or position of the company.

Key Performance Indicators

The directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the performance or position of the company.

Going Concern

Cash flow forecasts are prepared for the underlying investment looking over the expected life of the asset and so including the 12 month period from the date the financial statements are signed. In drawing up these forecasts, the directors have made assumptions based upon their view of the current and future economic conditions, including the impact of Covid-19, that will prevail over the forecast period.

The Company's cash flows are dependent on the performance of its investment. After reviewing the performance of the investment, which is done on a regular basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The company is in a net current liability position as a result of the intercompany balance with Alert Communications (2006) Limited. Subsequent to the year end, on 28 September 2021, a loan agreement was executed between Alert Communications Group Holdings Limited and Alert Communications (2006) Limited. This agreement confirmed that the outstanding intercompany balance has no fixed repayment date and the directors of Alert Communications (2006) Limited may make repayments at their discretion.

In light of this, the directors continue to adopt the going concern basis of accounting in preparing the Company's annual financial statements.

Principal Risks and Uncertainties

Due to the nature of the Company's business, the financial risks the directors consider relevant to this Company are credit, interest rate, cash flow and liquidity risk. The credit and cash flow risks are not considered significant as the client is a quasi governmental organisation. The significant risks are considered to be:

Interest Rate Risk

The financial risk management objectives of the Company are to ensure that financial risks are mitigated by the use of financial instruments where they cannot be addressed by contractual provisions. The Company uses interest rate swaps to reduce its exposure to interest rate movements. Financial instruments are not used for speculative purposes.

Liquidity Risk

The Company's liquidity risk is principally managed through financing the Company by means of long-term borrowings.

This report was approved by the board of directors on 28 September 2021 and signed on behalf of the board by:

Peter Sheldrake
Director

Alert Communications Group Holdings Limited

Directors' Report

Year Ended 31 March 2021

The directors present their report and the audited Annual Report and Financial Statements of Alert Communications Group Holdings Limited ("the Company") for the year ended 31 March 2021.

Directors

The directors who served the Company during the year and up to the date of this report were as follows:

James Edenborough
John Cavill
Peter Sheldrake
Richard Drake

Dividends

The directors do not recommend the payment of a dividend.

Qualifying Third Party Indemnity Provisions

During the year, and at the date of this report, the Company has in place qualifying third party indemnity provisions for the benefit of its directors.

Performance Review

The loss for the financial year, after taxation, amounted to £323,826 (2020: £262,299).

The loss for the year will be transferred to reserves.

The directors considered the impact of Coronavirus pandemic, which is fully explained in the Strategic Report.

Disclosure of Information to Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all 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 auditors, PricewaterhouseCoopers LLP, are deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 28 September 2021 and signed by order of the board by:



Peter Sheldrake
Director

Alert Communications Group Holdings Limited

Directors' Responsibilities Statement

Year Ended 31 March 2021

The directors are responsible for preparing the Strategic Report, Directors' Report and the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare the Annual Report and Financial Statements for each financial year. Under that law the directors have prepared the Annual Report and Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland ("FRS 102"), and applicable law).

Under company law the directors must not approve the Annual Report and 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 the Annual Report and Financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the Annual Report and Financial Statements; and
- prepare the Annual Report and 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.

Alert Communications Group Holdings Limited

Independent Auditors' Report to the Members of Alert Communications Group Holdings Limited

Year Ended 31 March 2021

Report on the Audit of the Financial Statements

Opinion

In our opinion, Alert Communications Group Holdings Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with 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 and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2021; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions Relating to Going Concern

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

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

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

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

Independent Auditors' Report to the Members of Alert Communications Group Holdings Limited *(continued)*

Year Ended 31 March 2021

Reporting on Other Information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

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

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the Financial Statements and the Audit

Responsibilities of the Directors for the Financial Statements

As explained more fully in the Directors' Responsibilities Statement, 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.

Independent Auditors' Report to the Members of Alert Communications Group Holdings Limited *(continued)*

Year Ended 31 March 2021

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 auditor's 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 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. 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 and the risk of management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management around known or suspected instances of non-compliance with laws and regulations, claims and litigation, and instances of fraud;
- Understanding of management's controls designed to prevent and deter irregularities;
- Review of board minutes;
- Challenging management on assumptions and judgements made in their significant accounting estimates, in particular in relation to the carrying value of investments in subsidiaries;
- Identifying and testing journal entries to assess whether any of the journals appeared unusual, impacting distributable reserves.

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.

Independent Auditors' Report to the Members of Alert Communications Group Holdings Limited *(continued)*

Year Ended 31 March 2021

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of This Report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other Required Reporting

Companies Act 2006 Exception Reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not 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.



Matthew Kaye (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants & Statutory Auditors
Edinburgh

28 September 2021

Alert Communications Group Holdings Limited

Statement of Comprehensive Income

Year Ended 31 March 2021

	Note	2021 £	2020 £
Interest receivable and similar income	6	**498,028**	422,082
Interest payable and similar expenses	7	**(821,854)**	(745,908)
Loss before taxation		**(323,826)**	(323,826)
Tax on loss	8	**–**	61,527
Loss for the financial year and total comprehensive expense		**(323,826)**	(262,299)

All the activities of the Company are from continuing operations.

Alert Communications Group Holdings Limited

Statement of Financial Position

As at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	9	**6,785,000**	6,785,000
Current assets			
Debtors: amounts falling due within one year	10	**1,936,001**	1,437,973
Debtors: amounts falling due after more than one year	10	**2,893,706**	2,893,706
		4,829,707	4,331,679
Creditors: amounts falling due within one year	11	**(10,240,854)**	(9,419,000)
Net current liabilities		**(5,411,147)**	(5,087,321)
Total assets less current liabilities		**1,373,853**	1,697,679
Creditors: amounts falling due after more than one year	12	**(2,893,707)**	(2,893,707)
Net liabilities		**(1,519,854)**	(1,196,028)
Capital and reserves			
Called up share capital	13	**10**	10
Accumulated losses	14	**(1,519,864)**	(1,196,038)
Total shareholders' deficit		**(1,519,854)**	(1,196,028)

The Financial Statements were approved by the board of directors and authorised for issue on 28 September 2021, and are signed on behalf of the board by:

Peter Sheldrake
Director

Company registration number: 05861215

The notes on pages 13 to 19 form part of these Financial Statements.

Alert Communications Group Holdings Limited

Statement of Changes in Equity

Year Ended 31 March 2021

	Called up share capital £	Accumulated losses £	**Total £**
At 1 April 2019	10	(933,739)	(933,729)
Loss for the financial year		(262,299)	(262,299)
Total comprehensive expense for the year	–	(262,299)	(262,299)
At 31 March 2020	10	(1,196,038)	**(1,196,028)**
Loss for the financial year		(323,826)	**(323,826)**
Total comprehensive expense for the year	–	(323,826)	**(323,826)**
At 31 March 2021	10	(1,519,864)	**(1,519,854)**

The notes on pages 13 to 19 form part of these Financial Statements.

Alert Communications Group Holdings Limited

Notes to the Annual Report and Financial Statements

Year Ended 31 March 2021

1. General Information

Alert Communications Group Holdings Limited ("the Company") is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is 33 Wigmore Street, London, England, W1U 1QX.

The principal activity of the Company is that of a holding company to Alert Communications (Holdings) Limited.

The Company's functional and presentation currency is the pound sterling.

2. Statement of Compliance

The individual financial statements of Alert Communications Group Holdings Limited 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.

3. Accounting Policies

(a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed further in the accounting policies.

The accounting policies stated below have been consistently applied to the years presented, unless otherwise stated.

3. Accounting Policies *(continued)*

(b) Going concern

Cash flow forecasts are prepared for the underlying investment looking over the expected life of the asset and so including the 12 month period from the date the financial statements are signed. In drawing up these forecasts, the directors have made assumptions based upon their view of the current and future economic conditions, including the impact of Covid-19, that will prevail over the forecast period.

The Company's cash flows are dependent on the performance of its investment. After reviewing the performance of the investment, which is done on a regular basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The company is in a net current liability position as a result of the intercompany balance with Alert Communications (2006) Limited. Subsequent to the year end, on 28 September 2021, a loan agreement was executed between Alert Communications Group Holdings Limited and Alert Communications (2006) Limited. This agreement confirmed that the outstanding intercompany balance has no fixed repayment date and the directors of Alert Communications (2006) Limited may make repayments at their discretion.

In light of this, the directors continue to adopt the going concern basis of accounting in preparing the Company's annual financial statements.

(c) Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of BIIF Holdco Limited which can be obtained from the Company Secretary at Cannon Place, 78 Cannon Street, London, EC4N 6AF. As such, advantage has been taken of the following disclosure exemptions available under FRS 102:

(a) No cash flow statement has been presented for the Company.

The Company is wholly owned by BIIF Holdco Limited and has taken advantage of the exemption in section 33 of FRS 102 'Related Party Disclosures', that allows it not to disclose transactions with wholly owned members of a group.

(d) Consolidation

The Company is an 80% owned subsidiary of the group headed by BIIF Holdco Limited, a company incorporated in England and Wales. In accordance with Section 400 of the Companies Act 2006, the Company is not required to produce, and has not published, financial statements.

3. Accounting Policies *(continued)*

(e) Judgments and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty are as follows:

i) Impairment of assets

The carrying value of those assets recorded in the Company's Statement of Financial Position, at amortised cost, could be materially reduced where circumstances exist which might indicate that an asset has been impaired and an impairment review is performed. Impairment reviews consider the fair value and/or value in use of the potentially impaired asset or assets and compare that with the carrying value of the asset or assets in the Statement of Financial Position. Any reduction in value arising from such a review would be recorded in the Statement of Comprehensive Income. Impairment reviews involve the significant use of assumptions. Consideration has to be given as to the price that could be obtained for the asset or assets, or in relation to a consideration of value in use, estimates of the future cash flows that could be generated by the potentially impaired asset or assets, together with a consideration of an appropriate discount rate to apply to those cash flows.

(f) Income tax

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

i) Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(g) Borrowings

Borrowings are recognised at amortised cost using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to the borrowings are recognised in the Statement of Comprehensive Income over the life of the borrowings. Borrowings with maturities greater than twelve months after the reporting date are classified as non-current liabilities.

3. Accounting Policies *(continued)*

(h) Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

(i) Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

4. Auditors' Remuneration

The audit fee of £2,240 (2020: £2,110) was borne by the subsidiary company Alert Communications Limited.

5. Particulars of Employees and Directors

The average number of persons employed by the Company during the financial year amounted to nil (2020: nil). The directors are not employed by the Company and did not receive any remuneration from the Company during the year (2020: £nil).

6. Interest Receivable and Similar Income

	2021	2020
	£	£
Interest from Group undertakings	**498,028**	422,082

7. Interest Payable and Similar Expenses

	2021	2020
	£	£
Interest due to Group undertakings	**821,854**	745,908

8. Tax on Loss

Major components of tax income

	2021 £	2020 £
Current tax:		
UK current tax income	–	(61,527)
Tax on loss	–	(61,527)

Reconciliation of tax income

The tax assessed on the loss for the year is higher than (2020: the same as) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Loss before taxation	**(323,826)**	(323,826)
Loss before taxation by rate of tax	**(61,527)**	(61,527)
Group Relief not paid for	**61,527**	–
Total tax credit	–	(61,527)

Factors that may affect future tax income

A change to the future UK corporation tax rate was announced in the March 2021 Budget. The rate will increase from 19% to 25% with effect from 1 April 2023. This change had not been substantively enacted at the balance sheet date and therefore is not recognised in these financial statements.

9. Investments

	Shares in Group undertakings £
Cost	
At 1 April 2020 and 31 March 2021	**6,785,000**
Impairment	
At 1 April 2020 and 31 March 2021	–
Carrying amount	
At 31 March 2021	**6,785,000**
At 31 March 2020	6,785,000

9. Investments *(continued)*

The Company owns 100% of the issued share capital of Alert Communications (Holdings) Limited which is registered at 33 Wigmore Street, London, W1U 1QX.

	2021	2020
	£	£
Aggregate capital and reserves	**476,000**	476,000
Result for the year	**–**	–

The carrying value of the investment is supported by the projected cashflows from the underlying group of investments.

10. Debtors

Debtors amounts falling due within one year are as follows:

	2021	2020
	£	£
Amounts owed by Group undertakings	**1,936,001**	1,437,973

Debtors amounts falling due after more than one year are as follows:

	2021	2020
	£	£
Amounts owed by Group undertakings	**2,893,706**	2,893,706

Amounts owed by Group undertakings relate to subordinated secured loan notes 2030. Interest on secured loan notes is charged at a fixed rate of 14.04% per annum on a basis of 365 days a year.

11. Creditors: amounts falling due within one year

	2021	2020
	£	£
Amounts owed to Group undertakings	**10,240,854**	9,419,000

Amounts owed to Group undertakings are made up of Subordinated secured loan notes 2030 of £nil (2020: £nil), and accrued interest on the secured loan notes of £920,110 (2020: £422,082).

Also included in Amounts owed to Group undertakings is loan to subsidiary undertakings of £4,693,137 (2020: £4,693,137) and accrued interest on a loan of £4,627,607 (2020: £4,303,781). Interest of 6.9% per annum is charged on the principal. The amounts are repayable at the discretion of directors with no fixed repayment date.

12. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Amounts owed to Group undertakings	**2,893,707**	2,893,707

12. Creditors: amounts falling due after more than one year *(continued)*

Included within creditors: amounts falling due after more than one year is an amount of £163,552 (2020: £787,413) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Amounts owed to Group undertakings consist of subordinated secured loan notes 2030. Loan notes are secured by way of a floating charge over the assets of the company and by way of a floating charge over the assets and a fixed charge over the shares of Alert Communications Limited. Interest on the secured loan notes is charged at fixed rate 14.04% per annum on the basis of a 365 day year. Loan notes are redeemed in instalments at the discretion of directors with the final instalment being made on 30 March 2030.

13. Called Up Share Capital

Issued, called up and fully paid

	2021		2020	
	No.	**£**	No.	£
Ordinary shares of £1 each	**10**	**10**	10	10

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and the repayment of capital.

14. Reserves

Retained earnings records retained earnings and accumulated losses.

15. Related Party Transactions

BIIF Bidco Limited holds 80% of the issued share capital of the Company as well as 100% of the Subordinated Secured Loan Notes 2030 balance of £2,893,707 (2020: £2,893,707). Interest on the loan of £920,110 (2020: £422,083) was outstanding at the year end.

16. Controlling Party

The immediate parent undertaking is BIIF Bidco Limited.

The intermediate parent undertaking is BIIF Holdco Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of BIIF Holdco Limited consolidated financial statements can be obtained from the Company Secretary at Cannon Place, 78 Cannon Street, London, EC4N 6AF.

The ultimate parent and controlling party is BIIF L.P. BIIF L.P. is owned by a number of investors with no one investor having individual control.

BIIF Holdco Limited

Annual Report and Consolidated Financial Statements
For the year ended 31 December 2020

Registered number 06704550

BIIF Holdco Limited
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BIIF Holdco Limited
Company Information

Directors:	John Cavill James Dawes
Company Secretary:	Infrastructure Managers Limited
Registered Office:	Cannon Place 78 Cannon Street London EC4N 6AF
Independent Auditors:	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Level 4 Atria One 144 Morrison Street Edinburgh EH3 8EX

BIIF Holdco Limited
Strategic Report

Year Ended 31 December 2020

The directors present their Annual Report and the audited consolidated financial statements of BIIF Holdco Limited ("the Company") and its consolidated subsidiaries ("the Group") for the year ended 31 December 2020.

Purpose, Principal Objectives and Strategies

The Company's purpose is to invest in operational projects that deliver an income yield to investors. The principal activity of the Company was that of a holding company. The principal activity of the Group was the provision, operation and maintenance of various assets under the Private Finance Initiative ('PFI') and within regulated renewable energy markets.

Review of the Business

The results for the year are in line with management's current expectations with each of the Group's investments performing materially in line with the relevant financial model.

The directors have considered the future financial impact to the Group of the Covid-19 pandemic, taking into account the sources of income and expenditure. Throughout the pandemic the underlying investments have continued to perform in line with modelled expectations and it is the directors' view that this performance is expected to continue. Some variable revenue from transportation projects were impacted by restrictions imposed by the UK government in 2020, but the effects were not material in the context of the large and diversified portfolio of investments held by the Group.

On 27 February 2020 one of the Group's senior lending facilities was refinanced. It is a new £600m facility fully amortising to 2037. The new facility consists of a mix of Bank and Institutional lenders with 5 tranches of debt, a mix of fixed, floating and RPI linked debt, with differing tenors.

Future Developments

The directors intend for the business to continue to hold its interests in the investments.

Key Performance Indicators

Group performance is measured on the basis of cash flows, both for shareholders and lenders. As with all companies in this sector, detailed cash flow projections are prepared to demonstrate the ability of the business to service its debt. Current projections demonstrate that the business can continue to maintain its debt service cover ratios at the base case levels agreed with the Group's lenders and will continue to pay returns to shareholders. As such the directors are satisfied that the Group's performance is in line with forecast and, therefore, consider the going concern basis of preparation to be appropriate.

Going Concern

The Group has received loans from external banks, which are secured against the cash flows from the Group's investments together with issued Eurobonds. The financial statements have been prepared on a going concern basis following an assessment of the financial viability of each of the Group's principal investments, and also the sources of cash flow projected to be available to service the portfolio debt obligations and meet the covenant ratios within the Group. This assessment indicates that although the Group currently has net liabilities, sufficient funds will be generated to allow ongoing obligations to be met as they fall due.

In addition, the directors have also considered the impact to the Group of the Covid-19 pandemic. The majority of the project companies are availability based and continue to receive their unitary charge from their customer in line with their contractual arrangements, which allows them to service their debt obligations. A small number of projects are exposed to demand-risk and these have been impacted, for example, following a significant fall in travel as a result of the pandemic, however, the overall impact to the results of the group has been minimal.

The directors have carried out a reverse stress test analysis on the BIIF Bidco debt facility, covering the majority of the projects in the portfolio, and have analysed the scenarios which would need to occur for the portfolio to be unable to service its debt and be in default of its covenants, in the next 12 months. Based on this analysis, the directors have no concerns and consider these scenarios to be highly unlikely.

Distributions from the PFI Senior Funding senior debt facility, covering 18 of the projects in the portfolio, have been adversely affected by the increase in corporation tax rates from 19% to 25% in 2023 as opposed to any underlying project performance. This has resulted in the project life cover ratios falling below the lock up level however, the directors intend to accelerate the repayment

Going Concern (continued)

of the senior debt in lieu of paying distributions, reducing overall risk. In due course this will return the facility to above lock up levels and normal distributions will be able to recommence. Cashflow projections for this facility indicate that there are sufficient funds available to continue servicing the debt, and the impact of this restriction is not significant to the results of the group. Again, directors have performed a reverse stress test analysis on the facility and have analysed the scenarios which would need to occur for the portfolio to be unable to service its debt in the next 12 months and be in breach of its covenant levels. Based on this analysis, the directors have no concerns and consider these scenarios to be highly unlikely, such that the risk that the group breaches the default ratios is considered remote.

After making the assessment on going concern, the directors considered it appropriate to prepare the financial statements of the Company on a going concern basis, having considered the impact of Covid-19 on its operations and on its investments. The Company has sufficient financial resources and liquidity in the current economic environment to continue operations for a period of at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Financial Risk Management

The Group is exposed to a variety of financial risks that include retail price indices, interest rate risk and liquidity risk. The Group has in place measures to limit the adverse effects of changes in these risks. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash deposits and proceeds from investment sums. The Group also invests in cash deposits at floating rates.

Objectives and policies

The Group's exposure to and management of interest rate risk, credit risk and liquidity risk are detailed below:

Interest rate risk
The financial risk management objectives of the Group are to ensure that financial risks are mitigated by the use of financial instruments. The Group uses interest rate swaps to reduce its expose to interest rate movements. Financial instruments are not used for speculative purposes.

Inflation risk
The financial risk management objectives of the Group are to ensure that financial risks are mitigated by the use of financial instruments. The Group uses RPI swaps to reduce its expose to movements in inflation. Financial instruments are not used for speculative purposes.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer, counterparty to a financial instrument or counterparty for facility management services fails to meet their contractual obligations.

Credit risk is overseen by management, and arises mainly from:

- cash and cash equivalents;
- derivative financial instruments;
- credit exposures to amounts due from outstanding receivables; and
- other committed transactions with counterparties.

The Group's objective is to minimise credit risk to an acceptable level whilst not overly restricting the Group's ability to generate revenue and profit. It is the Group's policy to invest assets safely and profitably. Management monitors credit risk closely and considers that its current policies in managing the exposure to credit risk are appropriate.

Financial Risk Management (continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of its key customers or counterparties. The Group's largest credit exposures are to public sector bodies and financial institutions. The amounts owed by the public sector bodies in the United Kingdom are considered to be a low credit risk by the Group. The counterparties for facility management are with well-established companies that operate several facility management contracts and the Group considers these companies unlikely to default on their respective liabilities to the Group.

In determining whether a financial asset is impaired due to credit or counterparty risks, the Group takes account of:

- The fair value of the asset at the statement of financial position date and, where applicable, the historic fair value of the asset;
- In the case of receivables, the counterparty's typical payment patterns; and
- In the case of other counterparty's, the current contract performance and the latest available information on the counterparty's credit worthiness.

Liquidity risk
The Group's liquidity risk is principally managed through financing the Group by means of long term borrowing.

Principal Risks and Uncertainties

The Group's activities are based on long-term contracts with public sector counterparties. There is a risk, arising from any future changes in political priorities, that the public sector may wish to terminate these contracts early. In most cases, the contracts have robust provisions which set out the basis on which investors will be compensated in the event of early termination at the request of the public sector. Where such provisions do not exist, termination and associated compensation is subject to mutual agreement. Overall, the directors consider the risk of material loss arising from widespread early termination of the projects to be low.

Another risk faced by the Group is the future cost of lifecycle expenditure. Each project has a lifecycle profile which is regularly reviewed and managed, to highlight and mitigate any potential adverse effects.

S172 Statement

The directors of the Group consider that they have adhered to the requirements of section 172 of the Companies Act 2006 (the 'Act') and have, in good faith, acted in a way that they consider would be most likely to promote the success of the Group for the benefit of its shareholder and have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1) (a-f) of the Act) in its decision making.

Taking into account the relative size of the Group, it is considered reasonable that the day to day decision making of the subsidiary assets is delegated to project directors, regularly reporting to the Group Board. This promotes full and effective interaction across all levels of the Group and supports the delivery of strategic and business objectives within a framework of best corporate governance practice.

The following paragraphs summarise how the Directors' fulfil their duties:

Business conduct

The Group relies on maintaining a strong reputation. We ensure our values and ethics are aligned with our purpose and ways of working.

Our People

The Group is committed to being a responsible business with its behaviour aligned with expectations of society as a whole. Given the size of the group there are very few employees, however, for the Group to succeed we need to manage their performance, develop and bring through talent while ensuring we operate as efficiently as possible. We must also ensure we share common values that inform and guide our behaviour so we achieve the goals of the Group in the right way.

S172 Statement (continued)

Business Relationships

The Board has an important relationship with Infrastructure Managers Limited ("IML"), the Company Secretary and a key stakeholder. IML, which is also a Group company, provides financial and operational management services to the Group. The project directors meet with the Board on a quarterly basis and information is provided at the meeting by the operational and financial management teams. This information will have regard to health and safety matters, the operational and financial performance of the project, planned major maintenance works and relationships with the client and the main subcontractors. The operational and financial management team make recommendations to the Board. These Board meetings are minuted and actions arising are monitored.

Community and Environment

The Group's approach is to create positive change for the people and communities with which we interact. The Board recognises that the Group is a key partner in the delivery of public infrastructure and encourages its partners in considering and delivering Environmental, Social and Governance ("ESG") values.

Shareholders

The Board is committed to openly engaging with their shareholders, as they recognise the importance of a continuing effective dialogue to ensure full understanding of Group strategy and objectives. The ultimate parent and controlling entity of the Group is BIIF LP. BIIF LP is owned by a number of professional investors and the directors of the company meet regularly with these investors to update them on the performance of the Group.

Principal decisions

The Board is focused on long-term predictable returns and risks across the business are carefully assessed and managed. The Group's principal risks and uncertainties are detailed earlier in the Strategic Report.

Examples of principal decisions made by the Board during the year ended 31 December 2020 were as follows:

Decision	**Complete external debt refinancing.**
Context	The Group had a senior debt facility secured on the equity and subordinated debt cash flows of a portion of its underlying project investments. A substantial part of the facility was due to mature in December 2025.
Outcome	The maturity of the debt finance was extended to 2037 on better terms and the refinancing risk in relation to the previous facility was extinguished as the new facility is fully amortising. The refinancing completed during the year.

Decision	**Undertake detailed analysis on the corporation tax impact of residual value receipts for relevant projects.**
Context	A number of projects are forecast to receive residual value receipts at the end of their concession period. The nature of the receipt and its tax implications needs to be assessed in relation to the financial model for each project.
Outcome	The review identified areas where the financial models required updating and in one case where a legal opinion was required to clarify the tax position.

Approved by the board on 27 September 2021 and signed on its behalf by:

James Dawes
Director

BIIF Holdco Limited
Directors' Report

The directors present their report and the audited consolidated financial statements of the Company and the Group for the year ended 31 December 2020.

Results and Dividends

The consolidated loss after tax and minority interests in the financial year was £35,920K (2019 restated: a profit of £14,985K). The result for the year will be transferred to reserves. The Company made a profit of £1,520K (2019: profit of £2,135K) for the financial year.

No dividends (2019: £nil) were paid by the Company during the year.

Emissions and Energy Use

The Group and Company have a very limited direct impact on the environment and are not significant producers of greenhouse gas emissions. The Group consumed less than 40,000 kilowatt hours of energy in the financial year and are therefore exempt from the new streamlined energy and carbon reporting disclosure requirements.

Financial Risk Management

See information provided in the Strategic Report.

Going Concern

See information provided in the Strategic Report.

Future Developments

See information provided in the Strategic Report.

Directors and their Interests

The directors in office during the year and up to the date of this report, shown on page 1, had no beneficial interest in the Company or its subsidiaries.

Disclosure of Information to Auditors

Each of the persons who is a director at the date of the approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all 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.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General meeting.

The Directors' Report was approved by the board on 27 September 2021 and signed on its behalf by:



James Dawes
Director

Registered number 06704550

BIIF Holdco Limited
Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and Group Financial Statements in accordance with applicable law and regulations.

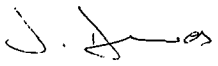
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law 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 Group and Company and of the profit or loss of the Group and Company for that period. In preparing these 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 for the Group and Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

The Directors' Responsibilities were approved by the board on 27 September 2021 and signed on its behalf by:



James Dawes
Director

BIIF Holdco Limited
Independent Auditors' Report to the members of BIIF Holdco Limited

Report on the audit of the financial statements

Opinion

In our opinion, BIIF Holdco Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2020 and of the group's loss and the group's cash flows 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.

We have audited the financial statements, included within the Annual Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company Statements of Financial Position as at 31 December 2020; the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Cash Flows, and the Consolidated and Company Statements of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group 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.

Our audit approach

Overview

Audit scope

- The group comprises 164 components, being operating subsidiaries and intermediary holding companies, as well as joint ventures and associates.
- Our audit scope was tailored to provide appropriate coverage of the consolidated financial statements through audit procedures performed across the components by the group audit team.
- The components where we performed full scope audit work accounted for approximately 92% of the group's turnover.
- All audit work was performed by the same engagement team in the UK.

Key audit matters

- Risk of incorrect recognition of turnover as a result of inappropriate calculation and allocation of the unitary charge (group)
- Impact of Covid-19 (group and company)
- Carrying Value of Investments (company)

Materiality

- Overall group materiality: £5,437,800 based on 5% of earnings before interest, tax, depreciation and amortisation ("EBITDA").
- Overall company materiality: £406,900 based on 1% of total assets.
- Performance materiality: £4,078,350 (group) and £305,200 (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	***How our audit addressed the key audit matter***
Risk of incorrect recognition of turnover as a result of inappropriate calculation and allocation of the unitary charge (Group) Through its subsidiaries, joint ventures and associates, the group has service concession arrangements with external parties for the design, construction, finance and maintenance of various public use assets including education facilities, railways, hospitals, roads, prisons and police stations. A significant proportion of the service concession arrangements are accounted for as finance debtors, with amortisation and finance income recognised each year at a constant rate. The unitary charge payments received from customers for the service concession arrangements are allocated to turnover, finance income and the finance debtor amortisation. The allocation to turnover is calculated by applying a margin to the costs incurred in the operations and ongoing maintenance of the related asset. Due to the judgment required to estimate the margin over the life of the project and the significant impact that the allocation of the unitary charge has on key accounts: turnover, finance income, the finance debtor and any unitary charge control accounts ("UCCA"), including those most susceptible to fraudulent manipulation, we consider this risk to be a key area of audit focus.	Our audit addressed the risk as follows: In each project where such accounting is applied, we: - tested a sample of unitary charge payments received from the customer, agreeing to invoice and evidence of cash receipt and used this to determine an expectation for total value of payments received in the year; - compared the margin applied in the current year to the margin applied in the prior year. Where there was a material movement in the margin, we sought to understand and corroborate the factors that have driven this change. This included analysing the project financial models to establish any changes in trends for expected future costs which impact the lifetime margin of the project, and investigating unusual trends in key elements of the project forecasts; - recalculated the revenue recognised by applying the margin to qualifying costs incurred in the year ended 31 December 2020; - re-performed the allocation of the unitary payment between turnover, finance debtor amortisation, finance income and where applicable the UCCA and checked that the allocated amounts had been recognised appropriately. Our audit work did not identify any issues and we therefore concluded that there was no material misstatement in any of the impacted financial statement lines.
Impact of Covid-19 (Group and Company) The ongoing and evolving COVID-19 pandemic and the related government response to the crisis, is having a significant impact on the UK economy. The pandemic was a condition which existed at the balance sheet date and management has considered its impact on the group and company's financial statements, particularly in relation to the disclosures made in relation to their going concern assessment.	Our audit addressed the impact of the Covid-19 pandemic on the group and company as follows: - We reviewed management's going concern models to ensure that they were reasonable, and incorporated their assessment of the impact of Covid-19 on the company's cash flows. - The company's underlying investments, upon which it relies for its cash inflows, are predominantly invested in availability based Private

Key audit matter	*How our audit addressed the key audit matter*
The company does not trade itself but is used as a vehicle to consolidate the entire BIIF group on behalf of the ultimate parent company (BIIF LP). The company itself is funded by a Eurobond issued on the International Stock Exchange which is due to mature on 31st December 2045. The consolidated group has bank borrowings within each of the underlying projects as well as having a number of portfolio wide bank facilities. In adopting the going concern basis in preparing these financial statements, management have considered the impact of the pandemic on the company's current and future operations and have concluded that the likely impact is low. In reaching this assessment, and in considering the disclosures to be made within the financial statements, management have given particular focus on the recoverability of amounts due from other group entities. Because of its significance to the financial statements and to our audit, we concluded that the uncertainty created by the Covid-19 pandemic on the operations of the company was a key audit matter.	Finance Initiative projects which receive unitary charge payments from government departments. We obtained copies of correspondence received by the Company and its subsidiaries from the Cabinet Office and the Infrastructure and Projects Authority which confirm that Private Finance Initiative work is essential, and that relevant employees and subcontractors are considered key workers during the pandemic. This correspondence also confirmed that Covid-19 was not expected to be a Force Majeure event for concession agreements and that public sector organisations are expected to continue making unitary payments. - We considered what impact there has been from Covid-19 on the performance of the Group during the year ended 31 December 2020 and confirmed that this was limited and consistent with the assessment made by the Directors in the prior year. - We ensured that management's cash flow forecasts incorporated adequate downside projections for those investments that are demand based, checking that the Group continued to be able to operate within facility levels, and in compliance with all covenants throughout the going concern period; and - We considered the disclosures made by management in the financial statements, specifically within the Strategic Report, the Directors' Report and the accounting policies (note 1), and considered whether these were in line with our understanding. Based on the procedures performed, we are satisfied that management have appropriately incorporated the impact of COVID-19 into their going concern assessment, and that management's assessment of the impact of the pandemic of the group and company has been appropriately disclosed within the financial statements. Our conclusions in relation to going concern are set out later in this report.
Carrying Value of Investments (Company) Disclosure note 8 (£37,621,000) The company acts as a holding company for a portfolio of PFI investments. These investments are carried at cost. There is an inherent risk in such an entity that the carrying value of the investments could be impaired. The company's investment is in the share capital of two immediate subsidiaries (BIIF Holdco II and BIIF Issuerco), which each hold a portfolio of further holding companies and PFI project companies. As at 31 December 2020, the directors assessed the carrying value of the investments held by the company. The directors designated a Valuations Committee to oversee the preparation of a discounted cash flow model, based upon forecast PFI project performance, to calculate the net present value ("NPV") of the investment portfolio. They compared this NPV to the carrying value of the investments in the financial statements. The directors' assessment shows that there is significant headroom on the carrying value and therefore no indication of any impairment. This assessment, by its nature, requires the use of judgements and estimates, and as a result was an area of focus for us in our audit.	We considered the process undertaken by the directors in concluding on the NPV of the portfolio, including the expertise of the members of the Valuation Committee and the approval process of the key assumptions and conclusions. We obtained the discounted cash flow model used by the directors to calculate the NPV of the investment portfolio. Our procedures over this model were as follows: - We compared the underlying forecast cash flows, for a sample of investments, to the individual project model. - We performed testing on a sample of the project models, including look-back tests to assess the models' historical forecasting accuracy. - For each of the key assumptions applied in the calculation of the discounted cash flows, including inflation rates and discount rates, we compared them to market expectations and independent sources. - We tested the mathematical and formulaic accuracy of the NPV calculation. - We used our knowledge of the underlying portfolio of investments to ensure that any specific issues or challenges on individual projects had been appropriately factored into the models for those projects. Our procedures did not identify any impairment.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The group comprises of 164 components, being operating subsidiaries and intermediary holding companies, as well as a number of joint ventures and associates. The principal activity of the majority of the operating subsidiaries is the provision, operation and maintenance of various assets under the Private Finance Initiative ('PFI'). The majority of the group's operations are within the UK, with two entities based in France. The group is partly funded by loan notes issued on the International Stock Exchange, issued by the Company and its subsidiary BIIF Issuerco.

None of the components are individually financially significant, however, we perform a full scope audit over 103 components.

All audit work was performed by the same engagement team within the UK.

The company BIIF Holdco Limited is a holding company for the two portfolio but is not itself a trading entity. We perform a full scope audit over the company.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	***Financial statements - company***
Overall materiality	£5,437,800.	£406,900.
How we determined it	5% of earnings before interest, tax, depreciation and amortisation ("EBITDA")	1% of total assets.
Rationale for benchmark applied	EBITDA is a generally accepted performance benchmark which is commonly used by shareholders of groups with investment portfolios which are financed through debt. It is a benchmark that is closely correlated to the cash flows generated by the portfolio of investments. It is therefore considered the most appropriate benchmark for assessing materiality for the audit of the Group.	The principal operations of the Company are to operate as a holding company and to provide funding for its investments. We believe therefore that total assets is the primary measure used by the shareholders in assessing the performance and financial position of the entity, and is a generally accepted auditing benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £6,736 and £4,894,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to £4,078,350 for the group financial statements and £305,200 for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £271,890 (group audit) and £20,300 (company audit) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern
Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- assessing management's going concern models for reasonableness, including the review of the inputs and key assumptions used in those models;
- testing the underlying data generated to prepare the forecasted model and determined whether there was adequate support for the assumptions underlying the forecasts, including considering the accuracy of prior year forecasts;
- obtaining an understanding of the debt covenants associated with the loan facilities, and ensuring that the forecasts show that the group will remain in compliance with them;
- ensuring that there was sufficient cash available to repay the group debt liabilities in line with the terms of the debt in place;
- and reviewing managements going concern disclosures.

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 group's and 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 group's and the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2020 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 group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or 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 group and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, employment legislation and Health and Safety laws and 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. 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 and the risk of management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management around known or suspected instances of non-compliance with laws and regulations, claims and litigation, and instances of fraud;
- Challenging management on assumptions and judgements made in their significant accounting estimates, in particular in relation to the carrying value of investments.
- Identifying and testing journal entries to assess whether any of the journals appeared unusual, impacting revenue and distributable reserves.
- Reading minutes of relevant meetings.

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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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.

BIIF Holdco Limited
Independent Auditors' Report to the members of BIIF Holdco Limited

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 company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Mark Hoskyns-Abrahall (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

Date 28 September 2021

BIIF Holdco Limited

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2020

	Note	Year ended 31 Dec 2020 £000	Year ended 31 Dec 2020 £000	Restated Year ended 31 Dec 2019 £000	Restated Year ended 31 Dec 2019 £000
Turnover	2		**346,084**		349,945
Cost of sales			**(257,511)**		(252,374)
Gross profit			**88,573**		97,571
Operating expenses			**(35,732)**		(17,366)
Operating profit			**52,841**		80,205
Net finance costs	3				
- Group		**(78,903)**		(84,892)	
- Fair value (loss)/gain on derivatives		**(6,975)**		4,533	
			(85,878)		(80,359)
Share of results in joint ventures and associates	9		**9,823**		39,027
(Loss)/Profit before taxation	4		**(23,214)**		38,873
Tax on (loss)/profit	6		**(8,275)**		(9,344)
(Loss) /Profit after taxation			**(31,489)**		29,529
(Loss)/ Profit attributable to:					
Owners of the parent company			**(35,920)**		14,985
Non-controlling interests			**4,431**		14,544
(Loss)/Profit for the financial year			**(31,489)**		29,529
Other comprehensive income/(expense)					
Fair value movements on cash flow hedging instruments, net of tax					
- Group		**160**		10,157	
- Associates and joint ventures		**2,933**	**3,093**	10,830	20,987
Exchange differences on retranslation of subsidiary undertakings			**969**		(1,279)
			(27,427)		49,237
Total comprehensive (expense)/ income for the year attributable to:					
Owners of the parent company			**(31,810)**		34,759
Non-controlling interests			**4,383**		14,478
			(27,427)		49,237

BIIF Holdco Limited

Consolidated and Company Statements of Financial Position

As at 31 December 2020

	Note	Group 31 Dec 2020 £000	Group 31 Dec 2019 £000	Company 31 Dec 2020 £000	Company 31 Dec 2019 £000
Fixed assets					
Tangible assets	7	**261,559**	281,481	**-**	-
Investment properties	7	**86,671**	84,940	**-**	-
Investments	8	**-**	-	**37,621**	37,764
Investments					
Interests in joint ventures:	9				
Share of gross assets		**1,641,466**	1,697,206	**-**	-
Share of gross liabilities		**(1,388,976)**	(1,436,680)	**-**	-
Associates:	9				
Interest in associates		**80,959**	88,030	**-**	-
		333,449	348,556	**-**	-
		681,679	714,977	**37,621**	37,764
Current assets					
Debtors: due within one year	10	**140,300**	161,648	**3,073**	1,410
Debtors: due after more than one year	11	**1,087,998**	1,149,427	**-**	-
Cash in hand and at bank		**233,845**	264,686	**-**	-
		1,462,143	1,575,761	**3,073**	1,410
Creditors: amounts falling due within one year	12	**(350,227)**	(322,824)	**-**	-
Net current assets		**1,111,916**	1,252,937	**3,073**	1,410
Total assets less current liabilities		**1,793,595**	1,967,914	**40,694**	39,174
Creditors: amounts falling due after more than one year	13	**(1,866,803)**	(1,864,839)	(38,078)	(38,078)
Derivative financial instruments	14	**(335,726)**	(465,713)	**-**	-
Provision for liabilities and charges					
Deferred taxation	15	**(60,804)**	(57,350)	**-**	-
Net (liabilities)/assets		**(469,738)**	(419,988)	**2,616**	1,096

BIIF Holdco Limited

Consolidated and Company Statements of Financial Position

As at 31 December 2020

	Note	**Group 31 Dec 2020 £000**	Group 31 Dec 2019 £000	**Company 31 Dec 2020 £000**	Company 31 Dec 2019 £000
Capital and reserves					
Called up share capital	16	-	-	-	-
Hedging reserve		**(341,557)**	(344,698)		
Other reserves		**33,912**	29,570	-	-
Profit and loss account		**(195,891)**	(156,598)		
At beginning of year		-	-	**1,096**	(1,039)
Profit/ (loss) for the year		-	-	**1,520**	2,135
At end of year		-	-	**2,616**	1,096
Total shareholders' (deficit)/funds		**(503,536)**	(471,726)	**2,616**	1,096
Non-controlling interests		**33,798**	51,738	-	-
		(469,738)	(419,988)	**2,616**	1,096

These financial statements on pages 14 to 53 were approved by the directors and authorised for issue on 27 September 2021 and are signed on its behalf by:

James Dawes
Director
Company registration number: 06704550

BIIF Holdco Limited

Consolidated Statement of Changes in Equity

For the year then ended 31 December 2020

Group	Called up share capital £'000	Profit and loss account £'000	Other reserves: Hedging reserve £'000	Other reserves: Revaluation reserve £'000	Other reserves: Foreign exchange reserve £'000	Non-controlling interests £'000	Total equity £'000
As at 1 January 2019	-	**(165,611)**	**(365,751)**	**21,762**	**3,115**	**41,934**	**(464,551)**
Profit for the year restated	-	14,985	-	-	-	14,544	29,529
Other comprehensive income							
Fair value movements on cash flow hedging instruments, net of tax restated	-	-	21,053	-	-	(66)	20,987
Exchange differences on retranslation of subsidiary undertakings	-	-	-	-	(1,279)	-	(1,279)
	-	**14,985**	**21,053**	-	**(1,279)**	**14,478**	**49,237**
Dividends restated	-	-	-	-	-	(4,674)	(4,674)
Transfers							
Revaluation of investment property	-	(9,186)	-	9,186	-	-	-
Gain on disposal of investment property	-	3,214	-	(3,214)	-	-	-
Total comprehensive income for the year	-	**9,013**	**21,053**	**5,972**	**(1,279)**	**9,804**	**44,563**
As at 31 December 2019	-	**(156,598)**	**(344,698)**	**27,734**	**1,836**	**51,738**	**(419,988)**
(Loss)/ Profit for the year	-	(35,920)	-	-	-	4,431	(31,489)
Other comprehensive income							
Fair value movements on cash flow hedging instruments, net of tax	-	-	3,141	-	-	(48)	3,093
Exchange differences on retranslation of subsidiary undertakings	-	-	-	-	969	-	969
	-	**(35,920)**	**3,141**	-	**969**	**4,383**	**(27,427)**
Dividends	-	-	-	-	-	(22,323)	(22,323)
Transfers							
Revaluation of investment property	-	(4,711)	-	4,711	-	-	-
Gain on disposal of investment property	-	1,338	-	(1,338)	-	-	-
Total comprehensive expense for the year	-	**(39,293)**	**3,141**	**3,373**	**969**	**(17,940)**	**(46,750)**
As at 31 December 2020	-	**(195,891)**	**(341,557)**	**31,107**	**2,805**	**33,798**	**(469,738)**

BIIF Holdco Limited

Company Statement of Changes in Equity

For the year then ended 31 December 2020

Company	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
As at 1 January 2019	-	(1,039)	(1,039)
Profit for the year	-	2,135	2,135
Total comprehensive income for the year	-	2,135	2,135
As at 31 December 2019	-	1,096	1,096
Profit for the year	-	1,520	1,520
Total comprehensive income for the year	-	1,520	1,520
As at 31 December 2020	**-**	**2,616**	**2,616**

BIIF Holdco Limited

Consolidated Statement of Cash Flows

For the year ended 31 December 2020

	Note	Year ended 31 Dec 2020 £000	Year ended 31 Dec 2019 £000
Net cash from operating activities	17	**141,673**	109,976
Taxation		**(11,244)**	(1,538)
Net cash generated from operating activities		**130,429**	108,438
Investing activities			
Interest received		**53,773**	61,280
Dividends received		**24,903**	29,265
Purchase of tangible fixed assets		**(1,510)**	(125)
Proceeds from disposal of tangible fixed assets		**19,300**	42,809
Proceeds from disposal of investment property		**-**	7,691
Net cash generated from investing activities		**96,466**	140,920
Financing activities			
Interest paid		**(143,181)**	(148,102)
Receipt of new banking facilities		**601,165**	-
Issue costs of new banking facility		**(5,304)**	-
Net decrease in bank borrowings and other loans		**(585,439)**	(91,870)
Repayment of swaps		**(142,550)**	-
Capital repayments of loan amounts issued to joint ventures and associates		**3,797**	3,480
Net movement in loan amounts due from project companies in the Group under sub participation agreement from the bank		**13,503**	12,783
Net cash used in financing activities		**(258,009)**	(223,709)
(Decrease)/Increase in cash and cash equivalents		**(31,114)**	25,649
Effect of exchange rates on cash and cash equivalents		**273**	(223)
Cash and cash equivalents at the beginning of the year		**264,686**	239,260
Cash and cash equivalents at the end of the year		**233,845**	264,686

1. Accounting policies

A summary of the principal Group Accounting Policies, all of which have been applied consistently throughout the year, is set out below.

Statement of compliance

BIIF Holdco Limited is a private company limited by shares incorporated in England. The Registered Office is Cannon Place, 78 Cannon Street London EC4N 6AF.

The Group's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Group for the year ended 31 December 2020.

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial instruments and in accordance with Companies Act 2006 and applicable Accounting Standards in the United Kingdom. The financial statements are prepared in sterling which is the functional currency of the Group and rounded to the nearest £'000.

The directors have taken advantage of the exemption available under section 408 of the Companies Act 2006 and have not prepared a statement of comprehensive income for BIIF Holdco Limited.

Going concern

The Group has received loans from external banks, which are secured against the cash flows from the Group's investments together with issued Eurobonds. The financial statements have been prepared on a going concern basis following an assessment of the financial viability of each of the Group's principal investments, and also the sources of cash flow projected to be available to service the portfolio debt obligations within the Group. This assessment indicates that although the Group currently has net liabilities, sufficient funds will be generated to allow ongoing obligations to be met as they fall due.

In addition, the directors have also considered the impact to the Group of the Covid-19 pandemic. The majority of the project companies are availability based and continue to receive their unitary charge from their customer in line with their contractual arrangements, which allows them to service their debt obligations. A small number of projects are exposed to demand-risk and these have been impacted, for example, following a significant fall in travel as a result of the pandemic, however, the overall impact to the results of the group has been minimal.

The directors have carried out a reverse stress test analysis on the BIIF Bidco debt facility, covering the majority of the projects in the portfolio, and have analysed the scenarios which would need to occur for the portfolio to be unable to service its debt and be in default of its covenants in the next 12 months. Based on this analysis, the directors have no concerns and consider these scenarios to be highly unlikely.

Distributions from the PFI Senior Funding senior debt facility, covering 18 of the projects in the portfolio, have been adversely affected by the increase in corporation tax rates from 19% to 25% in 2023 as opposed to any underlying project performance. This has resulted in the project life cover ratios falling below the lock up level however, the directors intend to accelerate the repayment of the senior debt in lieu of paying distributions, reducing overall risk. In due course this will return the facility to above lock up levels and normal distributions will be able to recommence. Cashflow projections for this facility indicate that there are sufficient funds available to continue servicing the debt, and the impact of this restriction is not significant to the results of the group. Again, directors have performed a reverse stress test analysis on the facility and have analysed the scenarios which would need to occur for the portfolio to be unable to service its debt in the next 12 months and be in breach of its covenant levels. Based on this analysis, the directors have no concerns and consider these scenarios to be highly unlikely, such that the risk that the group breaches the default ratios is considered remote.

Accounting policies (continued)

Going concern (continued)

After making the assessment on going concern, the directors considered it appropriate to prepare the financial statements of the Company on a going concern basis, having considered the impact of Covid-19 on its operations and on its investments. The Company has sufficient financial resources and liquidity in the current economic environment to continue operations for a period of at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Method of consolidation – subsidiaries

On acquisition of a business, all the business' assets and liabilities that exist at the date of acquisition are recorded at their fair values. Initially, provisional fair values are allocated and these are finalised within twelve months of the date of control. All changes to those assets and liabilities and resulting gains and losses that arise after the Group has gained control of the subsidiary are charged to the post acquisition statement of comprehensive income. The purchase consideration is measured as the fair value of the assets given up or liabilities undertaken plus costs directly attributable to the acquisition. Goodwill is the excess purchase consideration over the fair value of the identifiable assets and liabilities acquired.

Subsidiaries are enterprises that are controlled by the Group over which it typically has in excess of 50% of the voting rights. The Group consolidates the results of the company and its subsidiaries. Subsidiary acquisitions are accounted for using the acquisition method of accounting. All inter-group transactions, balances and unrealised gains on transactions between Group entities have been eliminated in full.

Fair value adjustments which are made at the date of acquisition are amortised on a straight line basis over the period of the life of the underlying asset.

Uniform accounting policies are applied across all subsidiaries within the Group.

Method of consolidation – associates and joint ventures

Investments in associates and joint ventures are consolidated using the equity method. In arriving at the amounts to be included by the equity method, the same accounting policies as those of BIIF Holdco Limited are applied. Where practicable, associates and joint ventures are included on the basis of financial statements prepared for a period not more than three months before the Group's year end. Where the associate's or joint venture's accounting reference date is greater than three months prior to 31 December, the associates are consolidated based on the latest statutory accounts adjusted for management accounts to 31 December.

Associates are enterprises, other than joint ventures, that are not controlled by the Group, over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence.

All balances and effects of transactions between each associate and joint venture and the Group have been eliminated to the extent of the Group's interest in the associate and joint venture.

Judgments and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting policies (continued)

Significant judgments

The judgments (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

i) Revaluation of investment properties

The Group carries its investment property at fair value, with changes in fair value being recognised in the Statement of Comprehensive Income. The aggregate surplus or deficit is transferred to or from a revaluation reserve except where a deficit is deemed to represent a permanent impairment in the value of the property, in which event it is charged to the statement of comprehensive income. The Group engaged independent valuation specialists to determine fair value of the residential property and the commercial property. Both valuations relate to the year ended 31 December 2020. The valuer used a valuation technique based on a discounted cash flow model as there is a lack of comparable market data because of the nature of the property. The determined fair value of the investment property is most sensitive to the estimated yield as well as the long term vacancy rate. The key assumptions used to determine the fair value of investment property are further explained in note 7.

ii) Deferred taxation

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Judgments are required to be made as to the calculation and identification of timing differences and in the case of the recognition of deferred taxation assets, the directors have to form an opinion as to whether it is probable that the deferred taxation asset recognised is recoverable against future taxable profits arising. This exercise of judgment requires the directors to consider forecast information over a long-time horizon having regard to the risks that the forecasts may not be achieved and then form a reasonable opinion as to the recoverability of the deferred taxation asset.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Impairment of assets

The carrying value of those assets recorded on the Group's statement of financial position at amortised cost could be materially reduced if the value of those assets were assessed to have been impaired. Impairment reviews are performed in the event that circumstances change which might indicate that an asset has been impaired. In principle, such impairment reviews consider the fair value and or value in use of the potentially impaired asset or assets and compares that with the carrying value of the asset or assets on the statement of financial position. Any reduction in value arising from such a review would be recorded in the income statement. Impairment reviews involve the significant use of assumptions. Consideration has to be given as to the price that could be obtained for the asset or assets, or in relation to a consideration of value in use, estimates of the future cash flows that could be generated by the potentially impaired asset or assets, together with a consideration of an appropriate discount rate to apply to those cash flows.

ii) Accounting for service concession agreements

Accounting for the service concession contracts and finance debtors requires estimation of service margins, finance debtor interest rates and associated amortisation profiles which are based on forecast results of the contracts.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Accounting policies (continued)

Taxation (continued)

Current or deferred taxation assets and liabilities are not discounted.

i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. The directors periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Turnover

Turnover represents the services share of the management services income received by the Group for the provision of a PFI asset to the customer. This income is received over the life of the concession period. Management service income is allocated between revenue and reimbursement of finance debtor so as to generate a constant rate of return in respect of the finance debtor over the life of the contract.

Interest income

Interest income is recognised as interest accrues using the effective interest method.

Dividends

Dividends are recognised as income when the Group's right to receive payment is established.

Foreign currencies

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The assets and liabilities of overseas subsidiary undertakings are translated into the presentational currency at the rate of exchange ruling at the statement of financial position date. Income and expenses for each statement of comprehensive income are translated at exchange rates at the dates of transaction. All resulting exchange differences are recognised in other comprehensive income.

Accounting policies (continued)

Accounting for PFI assets

The Group has taken the transition exemption in FRS 102 Section 35.10(i) that allows the Group to continue the service concession arrangement accounting policies from previous UK GAAP.

i. Finance debtor

The Group is accounting for the concession asset based on the ability to substantially transfer all the risks and rewards of ownership to the customer, with this arrangement the costs incurred by the Group on the design and construction of the assets have been treated as a finance debtor within these financial statements.

ii. Tangible fixed assets

The Group is accounting for the concession asset based on the inability to substantially transfer all the risks and rewards of ownership to the customer, with this arrangement the costs incurred by the Group on the design and construction of the assets have been treated as a fixed asset within these financial statements.

iii. Investment properties

Investment properties are accounted for in accordance with FRS 102 Section 16 'Investment Property'. Investment properties are revalued every two to three years by an external qualified and registered property valuer and every other year the directors assess the carrying value in light of any changes in market conditions. The aggregate surplus or deficit is charged to the income statement; and no amortisation is provided in respect of long leasehold investment properties.

Depreciation

On completion (date on which an availability certificate is issued), depreciation is charged on buildings on a straight line basis to the income statement over the useful economic life of each asset. The annual rates applied to each class of asset are:

Buildings	concession period 25 to 35 years – 2.9% to 4.0% straight line
Equipment	concession period 25 to 29 years straight line
	short life assets 3-4 years straight line and 12.5% – 33% reducing balance

Impairment

All assets, including financial assets, are reviewed for impairment annually at the reporting date. Where an indicator of impairment or objective evidence exists, an estimate of the asset's recoverable amount is made. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. This is at the individual project company level within the Group.

Government grants

Grants which relate to specific capital expenditure are accounted for using the accrual model. These are initially treated as deferred income and subsequently released to the income statement on a straight line basis over the asset's useful economic life. Other grants are recognised in the income statement when any associated performance conditions are met.

Accounting policies (continued)

Accounting for PFI assets (continued)

Deferred income

Deferred income also includes capital contributions towards the construction of fixed assets from the public sector counterparty on certain projects completed by the Group. These are accounted for using the accrual model and released to the income statement on a straight line basis over the life of the related asset.

Capital instruments

Shares are included in shareholder funds. Debt instruments, which contain an obligation to repay, are classified as liabilities. The finance costs recognised in the income statement in respect of capital instruments, other than shares, are allocated to periods over the operating life of the instrument to which they relate at a constant carrying amount in accordance with FRS 102 section 22.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the income statement, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the income statement immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Hedge accounting

Some entities in the Group have entered into an arrangement with third parties that is designed to hedge future cash flows arising on variable rate interest loan arrangements, with the net effect of exchanging the cash flows arising under those arrangements for a stream of fixed interest cash flows ("interest rate swaps"). Some entities have also entered into an arrangement with third parties that is designed to hedge future cash receipts arising from its principal activity (RPI swaps). These entities have designated that these arrangements are a hedge of another (non-derivative) financial instrument, to mitigate the impact of potential volatility on the Group's net cash flows.

To qualify for hedge accounting, documentation is prepared specifying the hedging strategy, the component transactions and methodology used for effectiveness measurement. Changes in the carrying value of financial instruments that are designated and effective as hedges of future cash flows ("cash flow hedges") are recognised directly in a hedging reserve in equity and any ineffective portion is recognised immediately in the income statement. Amounts deferred in equity in respect of cash flow hedges are subsequently recognised in the income statement in the same period in which the hedged item affects net profit or loss or the hedging relationship is terminated and the underlying position being hedged has been extinguished.

Accounting policies (continued)

Financial instruments (continued)

Capital risk management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Prior year restatement

During the year, material misstatements were identified in relation to the presentation of dividends by the non-controlling interest disclosed in the financial statements for the year ended 31 December 2019. Those financial statements incorrectly overstated the group profit and understated the non-controlling interest profit for the year. The impact of the presentation adjustments upon these financial statements with regards to the reserves are 'nil'. There is also 'nil' impact on the group and non-controlling interest profit for the prior and the current year.

Company

Disclosure exemptions

The Company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

(a) No cash flow statement has been presented for the Company.
(b) The Company has taken advantage of the exemption in section 33 of FRS 102 'Related Party Disclosures', that allows it not to disclose transactions with wholly owned members of a group.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the Group and arise entirely from continuing operations. An analysis of revenue is given below:

	31 Dec 2020 £000	31 Dec 2019 £000
United Kingdom	**336,906**	341,052
Other European Union	**9,178**	8,893
Total revenue	**346,084**	349,945

3. Net finance cost

	31 Dec 2020 £000	31 Dec 2019 £000
Interest payable		
Interest payable on bank loans and overdrafts	**(62,403)**	(70,812)
Interest payable on Eurobond	**(50,380)**	(50,241)
Interest on long term bond	**(8,949)**	(8,773)
Total interest payable and similar items	**(121,732)**	(129,826)
Interest receivable		
Bank interest receivable	**199**	2,025
Other interest receivable	**4,443**	4,474
Finance debtor interest receivable	**38,187**	38,435
Total interest receivable	**42,829**	44,934
Net interest payable and similar items	**(78,903)**	(84,892)

4. (Loss)/ Profit before taxation

	31 Dec 2020 £000	31 Dec 2019 £000
Profit before taxation is stated after charging:		
Depreciation of tangible fixed assets	**22,846**	22,266
Amortisation of fair value adjustments	**30,221**	30,221
Gain on disposal of tangible fixed assets	**1,112**	17,399
(Loss) / Gain on disposal of investment properties	**(520)**	561
Gain on revaluation of investment properties	**4,711**	9,185
Wages and salaries	**7,532**	6,361
Social security costs	**904**	777
Other pension costs	**999**	740
Fees payable to the Company auditor for the audit of the parent company, subsidiary companies and consolidated financial statements (parent company: 2020: £4K 2019: £4K)	**1,056**	974
Fees payable to the company auditor for other services		
- Audit-related services	**-**	3
- Tax compliance and advisory services	**317**	164

Within the Group, the number of monthly average employees in the financial year other than the directors was 105 (2019: 89).

None of the directors of the Company received any remuneration from the Group during the year (2019: £nil). Attention is drawn to the payments made to certain directors of subsidiary undertakings disclosed in note 19.

5. Results of holding company

A Company profit of £1,520K (2019: profit of £2,135K) is dealt with by the group financial statements of BIIF Holdco Limited. The directors have taken advantage of the exemption available under section 408 of the Companies Act 2006 and have not presented a Statement of Comprehensive Income for the Company.

6. Tax on (loss)/ profit

	31 Dec 2020 £000	31 Dec 2019 £000
Current tax		
UK corporation tax on (loss)/profit for the year	**6,446**	10,614
Adjustments in respect of prior periods for subsidiary companies	**(300)**	(663)
Current tax on (loss)/profit	**6,146**	9,951
Deferred tax		
Origination and reversal of timing differences	**1,736**	(1,038)
Adjustments in respect of prior periods for subsidiary companies	**(490)**	-
Impact of change in tax rate	**883**	431
Total deferred tax charge/ (credit)	**2,129**	(607)
Tax on (loss)/profit on ordinary activities	**8,275**	9,344

The tax assessed for the year is higher than (2019: higher than) the standard rate applying in the UK (19.00%) (2019: 19.00%). The differences are explained below:

	31 Dec 2020 £000	31 Dec 2019 £000
Group (loss)/profit before tax	**(23,214)**	38,874
(Loss)/ Profit at the UK tax rate 19.00% (2019: 19.00%)	**(4,411)**	7,386
Effects of:		
Expenses not deductible for tax purposes	**14,279**	653
Losses utilised	**(2,338)**	(2,856)
Adjustment in respect of prior year tax charge	**(790)**	(663)
Non-trading transfer pricing adjustment	**4,406**	4,394
Group relief not paid	**(3,753)**	-
Effect of rate change	**882**	430
Tax on (loss)/profit activities	**8,275**	9,344

7. **Tangible fixed assets - Group**

	Buildings £000	Equipment £000	Total £000
Cost or valuation			
As at 1 January 2020	408,274	129,410	**537,684**
Additions	-	1,509	**1,509**
Disposals		-	-
Foreign exchange translation adjustment	-	2,467	**2,467**
As at 31 December 2020	**408,274**	**133,386**	**541,660**
Accumulated depreciation			
As at 1 January 2020	182,317	73,886	**256,203**
Charge for the period	16,351	6,495	**22,846**
Disposals	-	-	-
Foreign exchange translation adjustment	-	1,052	**1,052**
As at 31 December 2020	**198,668**	**81,433**	**280,101**
Net book value			
As at 31 December 2020	**209,606**	**51,953**	**261,559**
As at 31 December 2019	225,957	55,524	**281,481**

Interest charged to the income statement included within the depreciation charge is £674K (2019: £640K).

Interest capitalised to date, included in cost, totals £19,768K (2019: £22,741K).

Company

The Company had no tangible fixed assets at 31 December 2020 (2019: none).

Investment properties - Group	Land & Buildings £000
Cost or valuation	
As at 1 January 2020	**84,940**
Disposals	**(2,980)**
Revaluation	**4,711**
As at 31 December 2020	**86,671**

The Group holds residential and commercial investment properties.

The basis of the valuation of the residential investment properties was to compare recent home report valuations, which were carried out by qualified Chartered Surveyors to the previous valuation report prepared by Cushman and Wakefield in December 2019. The directors are satisfied that the recent home reports represent an accurate carrying value against current market conditions. As at 31st December 2020, 121 homes were held for the provision of housing to DHE, 1 home had been handed back and was subsequently sold on 18 January 2021.

Using the most recent home reports has resulted in an increase in Market Value of c8% when compared to the previous Cushman and Wakefield (UK) LLP valuation from December 2019.

Investment properties – Group (continued)

The commercial property was revalued using a market approach on a vacant possession basis as at 31 December 2020 in January 2021 by David Ingham a member of the Royal Institution of Chartered Surveyors on behalf of CBRE. The valuation has been recognised in the financial statements to 31 December 2020. When carrying out the valuation the following assumptions have been made:

A) An equivalent yield of 6.00%
B) A reversionary yield of 6.82%
C) Capital value of £4,237.89 per sq m (£76.73 per sq ft)

Company

The Company had no investment properties at 31 December 2020 (2019: none).

8. Investments

The Group had no fixed asset investments at 31 December 2020 (2019: none)

Company

Investments

	Total £000
Cost	
As at 1 January 2020	37,764
Additions	-
Capital repayment	(143)
As at 31 December 2020	37,621
Impairment	
As at 1 January 2020 and 31 December 2020	-
Carrying amount	
As at 31 December 2020	37,621
As at 31 December 2019	37,764

Subsidiaries, associates and other investments

The Company owns 100% of the issued share capital of BIIF Holdco II Limited and BIIF Issuerco Limited. Both investments are held at cost.

9. **Investments – Group**

Interests in joint ventures and associates

	Joint ventures £000	Associates £000	Loans to joint ventures £000	Loans to associates £000	Total £000
Cost or valuation					
As at 1 January 2020	106,006	70,754	154,520	17,276	348,556
Additions	-	-	241	-	241
Share of retained profits	15,748	(5,925)	-	-	9,823
Dividends receivable	(22,958)	(1,945)	-	-	(24,903)
Movement on hedge reserve	1,762	1,171	-	-	2,933
Foreign exchange movement	129	(51)	518	-	596
Repayment of loan	-	-	(3,476)	(321)	(3,797)
As at 31 December 2020	**100,687**	**64,004**	**151,803**	**16,955**	**333,449**

The following additional information is provided in respect of equity accounted investments:

	Share of Revenue £000	Share of non-current assets £000	Share of current assets £000	Share of non-current liabilities £000	Share of current liabilities £000	Share of net assets £000
31 December 2020						
Joint ventures	**141,291**	**1,414,030**	**227,436**	**1,295,588**	**93,388**	**252,490**
Associates	**45,711**	**230,732**	**82,891**	**193,645**	**39,019**	**80,959**
31 December 2019						
Joint ventures	146,016	1,470,478	226,728	1,339,007	97,673	260,526
Associates	58,507	251,134	88,999	205,129	46,974	88,030

Investments in Group undertakings are stated at amortised cost and are listed in note 24 and 25. The directors consider that to give full particulars of all subsidiaries would lead to a statement of excessive length.

The Group accounts for an investment as an associate when it has significant influence but not control. This is typically demonstrated when the Group nominates one or more directors to the board of the investment. Where the shareholder agreements stipulate that all shareholders with board representation must consent to the approval of key matters the Group designates the investment to be a joint venture, even if the equity holding is not 50%.

10. Debtors: amounts falling due within one year

	Group 31 Dec 2020 £000	Group 31 Dec 2019 £000	Company 31 Dec 2020 £000	Company 31 Dec 2019 £000
Trade debtors	**9,874**	18,535	-	-
Finance debtor	**44,080**	44,157	-	-
Sub participation amounts due (note 11)	**12,926**	13,798	-	-
Prepayments and accrued income	**51,477**	48,891	-	-
Other debtors	**21,943**	36,267	**3,073**	1,410
	140,300	161,648	**3,073**	1,410

Refer to note 23 for further information in relation to credit risk exposure in the Group.

11. Debtors: amounts falling due after one year

	Group 31 Dec 2020 £000	Group 31 Dec 2019 £000	Company 31 Dec 2020 £000	Company 31 Dec 2019 £000
Sub participation amounts due	**144,308**	156,939	-	-
Finance debtor	**837,534**	893,404	-	-
Derivative financial instruments	**44,883**	45,134	-	-
Deferred tax asset (note 15)	**61,273**	53,950	-	-
	1,087,998	1,149,427	-	-

Sub participation amounts due represents debt due from project companies in the Group, which was the subject of a sub participation agreement from the bank to the Company. These loans are secured by a fixed and floating charge over all the assets, rights and undertakings of the individual project companies. They bear interest at a range of rates between a minimum of LIBOR plus 1.84% and a maximum of a fixed swap rate plus margin of 7.45%.

12. Creditors: amounts falling due within one year

	Group 31 Dec 2020 £000	Group 31 Dec 2019 £000	Company 31 Dec 2020 £000	Company 31 Dec 2019 £000
Trade creditors	**9,537**	12,131	-	-
Other creditors (note 13(f))	**16,011**	18,014	-	-
Accruals	**120,589**	106,611	-	-
Corporation tax	**8,442**	14,121	-	-
Other taxes and social security costs	**7,596**	7,016	-	-
Bank loans and overdrafts (note 13(a))	**176,727**	154,686	-	-
Guaranteed secured bonds (note 13(c))	**8,221**	6,206	-	-
Other loans (note 13(e))	**1,198**	1,987	-	-
Deferred income (note 13(g))	**1,906**	2,052	-	-
	350,227	322,824	-	-

13. **Creditors: amounts falling due after one year**

	Group 31 Dec 2020 £000	Group 31 Dec 2019 £000	**Company 31 Dec 2020 £000**	Company 31 Dec 2019 £000
Bank loans and overdrafts (note 13(a))	**1,061,503**	1,047,504	**-**	-
Eurobond (note 13(b))	**628,020**	628,020	**38,078**	38,078
Guaranteed secured bonds (note 13(c))	**116,945**	125,441	**-**	-
Zero Coupon Bond (note 13(d))	**6,121**	5,552	**-**	-
Other loans (note 13(e))	**4,397**	4,688	**-**	-
Other creditors (note 13(f))	**11,754**	11,889	**-**	-
Deferred income (note 13(g))	**38,063**	41,745	**-**	-
	1,866,803	1,864,839	**38,078**	38,078

The repayment of bank and other loans is due as follows:

Group	**31 Dec 2020 £000**	31 Dec 2019 £000
Due within one year	**178,847**	156,674
Due in two to five years	**635,936**	536,272
Due in over five years	**429,042**	515,919
	1,243,825	1,208,865

Company

The Company did not have any bank or other loans at 31 December 2020 (2019: none).

Group

(a) Bank loans

The total amount drawn down under bank loans at the year end was £1,257,220K (2019: £1,225,520K). Costs of £18,990K (2019: £23,330K) have been set off against the total loan drawdowns, with £10,122K (2019: £3,166K) of these debited to the income statement in the year.

An amount of £819,997K (2019: £695,819) relates to two senior banking facilities. The first facility of £263,711K (2019: £278,120K) relates to the finance of 18 PFI projects and it expires on 30 September 2035. The Group has entered into interest rate swap arrangements and under these arrangements the Group receives interest on a variable basis and pays interest at a fixed rate of 8.55%. The second facility £556,286K (2019: £417,699) was refinanced in February 2020 and is split into 3 facilities which fully amortise in 2037. The Group has entered into interest rate swap arrangements and under these arrangements the group receives interest on a variable basis and pays interest at rates between 2.496% - 2.948%. The second facility includes a loan that is RPI linked and the principal balance on this loan is adjusted for the increase in the Retail Price Index every six months. The un-indexed principal balance outstanding at 31 December 2020 is £137,293K. The senior banking facilities are secured against the cash flows from the Group's equity and loan investments and have principal payments due at six monthly intervals.

The remaining facilities relate to borrowings held by individual project subsidiary companies and they are secured by way of fixed and floating charges over the assets of the specific project company which holds the borrowings. Maturity of these facilities ranges from 2016 to 2035. Interest payable on the Group's bank loans ranges from rates of 5.11% to 7.99%.

13. **Creditors: amounts falling due after one year (continued)**

(b) Eurobonds

A subsidiary in the Group has issued a Eurobond, listed on the Channel Islands Securities Exchange, totalling £589,942K (2019: £589,942K) which was subscribed for in full by the ultimate parent entity, BIIF LP. This Eurobond bears interest at 8% per annum and falls due for repayment on 31 December 2045.

The Company has issued a Eurobond, listed on the Channel Islands Securities Exchange totalling £38,078K (2019: £38,078K) which was subscribed for in full by the ultimate parent entity, BIIF LP. This Eurobond bears interest at 8% per annum and falls due for repayment on 31 December 2045.

(c) Secured bonds

A subsidiary has issued, at par value, £79,507K (2019: £82,198K) 3.443% index-linked guaranteed secured bonds due 2004-2036. The bond is secured by way of a fixed and floating charge over the assets of the subsidiary and two immediate holding companies. Both the interest and principal balances are adjusted for the increase in the Retail Price Index at six monthly intervals, which cumulatively at 31 December 2020 amounted to 75.91% (2019: 71.31%).

A subsidiary has issued £45,659K (2019: £45,659) 7.12% secured bonds which are due 2028. The bond is secured by way of a fixed and floating charge over the assets of the subsidiary.

(d) Zero coupon bond

A subsidiary company has issued a zero coupon bond with a redemption value of £8,000K (2019: £8,000K) on 3 October 2022. This bond was issued at a discount value of £633K which is amortised to maturity at a constant rate on the carrying amount of the debt.

The maturity profile of all bonds is as follows:

	31 Dec 2020	31 Dec 2019
	£000	£000
Amounts repayable in one year or less or on demand	**8,298**	6,287
Amounts falling due within one to five years	**61,531**	71,758
Amounts falling due after five years	**690,160**	688,042
	759,989	766,086
Unamortised finance costs associated with the bond issue	**(682)**	(867)
	759,307	765,219
Included within creditors: amounts falling due within one year	**(8,221)**	(6,206)
Amounts falling due after one year	**751,086**	759,013

(e) Other loans (all unsecured)

A subsidiary in the Group has issued loan notes totalling £1,250K (2019: £1,250K) which bear interest at 13.5%. Of this balance, £1,052K (2019: £963K) represents unpaid interest on the loan notes and is due for payment within twelve months. The balance falls due for payment on 31 March 2032.

A subsidiary in the Group has issued a £67K (2019: £59K) loan stock instrument. The loan bears a Coupon of 13.5% per annum and payment of capital falls due in the year 2035. The Coupon on the principal amount accrues daily and is payable on 30 September and 31 March each year. The amount is charged to the income statement as interest falls payable. The sum was advanced under a subordinated loan agreement and is, therefore, unsecured and would rank alongside ordinary creditors in the event of a winding up.

13. **Creditors: amounts falling due after one year (continued)**

The same subsidiary also issued a £158K (2019: £153K) subordinated loan note issued at a price of 20 pence for each £1 in nominal value of loan stock held. The loan bears a Coupon of 13.5% per annum and payment of capital falls due in the year 2035. The Coupon on the principal amount accrues daily and is payable on 30 September and 31 March each year. The sums were advanced under a subordinated loan agreement and rank alongside ordinary creditors but above the loan stock detailed above in the event of a winding up.

The same subsidiary also issued a £267K (2019: £267K) subordinated loan note. The loan bears a Coupon of 13.5% per annum and payment of capital falls due in the year 2035. The Coupon on the principal amount accrues daily and is payable on 30 September and 31 March each year. The sums were advanced under a subordinated loan agreement and rank alongside ordinary creditors but above the loan stock detailed above in the event of a winding up.

A subsidiary in the Group has issued an unsecured loan with a value of £400K (2019: £685K) due 2037, bearing interest at 13.04%.

A subsidiary in the Group has issued loan stock with a value of £715K (2019: £715K) bearing interest at 13% per annum. Of this balance, £64K (2019: £64K) represents unpaid interest on the loan notes and is due for payment within twelve months. The principal is repayable in full in February 2036.

A subsidiary in the Group has issued loan stock with a value of £2,523K (2019: £3,342K). The loan stock bears interest at the rate per annum determined by the lender which will be calculated according to the aggregate of margin, LIBOR, and mandatory costs. The debt is repayable in 41 consecutive six monthly instalments, the first of which was repaid in August 2002 with the final instalment due on 31 August 2023.

A subsidiary in the Group has issued loan stock with a value of £123K (2019: £205K). The loan stock bears interest at 8.5%.

(f) Other creditors

Included in other creditors is a decommissioning provision of £611K (2019: £555K) which provides for the future costs of decommissioning a wind farm. The provision has been discounted at an annual rate of 4% and this discount is charged to the statement of comprehensive income until 2027, the estimated date of decommissioning.

13. **Creditors: amounts falling due after one year (continued)**

(g) Deferred income

Group	31 Dec 2020 £000	31 Dec 2019 £000
As at 1 January	**43,797**	47,706
Amortised during the period	**(3,457)**	(2,844)
Foreign exchange translation adjustment	**(371)**	(1,066)
As at 31 December	**39,969**	43,797

Deferred income is divided as follows:

- In 14 projects, on completion of construction of the facilities, the public sector client made payments to the respective project companies (Eastbrook Facilities Limited, GH Newham Limited, GH Bodmin Limited, Kintra Limited, Bannockburn Homes Limited, KE Project Limited, LH Project Limited, Machrie Limited, NewSchools (Penweddig) Limited, Connect A50 Limited, Infrastructure Investors Castlehill Limited, Blackshaw Healthcare Services Limited and Adams Campus Limited) as a contribution to the capital cost of the works. These contributions were deferred and will be amortised over the life of the project. The balance as at 31 December 2020 was £20,660K (2019: £22,417K).

- £7,080K (2019: £7,611K) in respect of funding grants which will be amortised over the lifetime of the PFI concession contract.

- £3,824K (2019: £4,164K) received following the arrangement of an RPI SWAP which will be amortised over the lifetime of the contract.

- £8,405K (2019: £9,605K) in respect of asset renewal underspend.

Of the balance at the year end, it is expected that £1,906K (2019: £2,052K) will be realised within 12 months and £38,063K (2019: £41,745K) will be realised after 12 months.

14. **Derivative financial instruments**

	Group 31 Dec 2020 £000	Group 31 Dec 2019 £000	Company 31 Dec 2020 £000	Company 31 Dec 2019 £000
Liabilities				
Interest rate swaps	**236,881**	369,718	-	-
RPI swaps	**98,845**	95,995	-	-
	335,726	465,713	-	-

15. **Deferred taxation**

Group	31 Dec 2020 £000	31 Dec 2019 £000
As at 1 January	**(3,400)**	(4,335)
Adjustment in respect of prior year deferred tax charge	**2,462**	(10)
Revised balance as at 1 January	**(938)**	(4,345)
Movement through other comprehensive income	**3,537**	332
Deferred tax (charge)/ credit for the year	**(2,130)**	613
As at 31 December	**469**	(3,400)
Analysis of deferred tax balances:		
Accelerated capital allowances	**(51,606)**	(62,303)
Derivatives	**40,096**	39,297
Other timing differences	**16,518**	11,934
(Losses)/Gains	**(4,539)**	7,672
	469	(3,400)
Deferred tax asset	**61,273**	53,950
Deferred tax liability	**(60,804)**	(57,350)
	469	(3,400)

The Group has an un-provided deferred tax asset of £13,916K (2019: £14,743K). The deferred tax asset arises on unrelieved losses within certain Group companies. This asset would be recoverable if the Group companies made sufficient taxable profits in future periods against which the losses could be offset.

16. **Called up share capital**

Group and Company	31 Dec 2020 £	31 Dec 2019 £
Authorised		
100 Ordinary shares of £1 each	**100**	100
Issued, called up and fully paid		
1 Ordinary share of £1 each	**1**	1

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and the repayment of capital.

17. **Net cash flow from operating activities**

Reconciliation of profit to net cash (outflow)/inflow from operating activities	**31 Dec 2020 £000**	31 Dec 2019 £000
Operating profit	**52,841**	80,205
Revaluation of investment property	**(4,711)**	(9,185)
Gain on sale of the investment property	**(520)**	(561)
(Gain)/Loss on sale of the tangible fixed assets	**-**	(17,399)
Depreciation charge	**22,846**	22,266
Amortisation of fair value adjustments	**15,787**	15,787
Amortisation of deferred income	**(3,828)**	(3,909)
Foreign exchange	**(2,011)**	2,550
Decrease in debtors	**51,427**	21,967
Increase/(Decrease) in creditors	**9,842**	(1,746)
Net cash inflow from operating activities	**141,673**	109,976

18. **Reconciliation of cash and cash equivalents**
Cash and cash equivalents comprise the following:

	1 Jan 2020 £000	**Cash flow £000**	**Non- cash movements £000**	**31 Dec 2020 £000**
Cash in hand and at bank	264,686	(30,841)	-	**233,845**
Debt payable: within one year	(162,879)	(23,267)	-	**(186,146)**
Debt payable: after one year	(1,823,094)	12,846	(18,491)	**(1,828,740)**
	(1,985,973)	(10,422)	(18,491)	**(2,014,886)**
Loan payments: receivable within one year	13,798	(872)	-	**12,926**
Loan payments: receivable after one year	156,939	(12,631)	-	**144.308**
	170,737	(13,503)	-	**157,234**
Total	(1,550,550)	(54,766)	(18,491)	**(1,623,807)**

The non-cash movements are in respect of effective interest rate charges and fair value amortisation.

19. **Related party transactions**

The Group paid £47K (2019: £46K) to the Sodexo Group for the services of the Sodexo employees as directors to HpC King's College Hospital (Holdings) Limited, a subsidiary of the Group in which Sodexo hold a minority interest. At 31 December 2020, £nil (2019: £nil) remained outstanding.

Sodexo Group also manage the non-clinical services for HpC Kings College Hospital (Holdings) Limited, a subsidiary of the Group in which the Sodexo Group hold a minority interest. The amount charged for these services was £nil (2019: £nil). At 31 December 2020, £9K (2019: £9K) remained outstanding.

19. **Related party transactions (continued)**

Sodexo Group also manage the lifecycle and estate services for HpC Kings College Hospital (Holdings) Limited, a subsidiary of the Group in which the Sodexo Group hold a minority interest. The amount charged for these services was £1,533K (2019: £1,491K). At 31 December 2020, £nil (2019: £nil) remained outstanding.

A director of Innovate East Lothian Limited during the period is also a director of FES Limited. FES Limited is the holder of loan notes issued by Innovate East Lothian Limited totalling £426K (2019: £420K) and loan notes issued by Innovate East Lothian (Holdings) Limited totalling £67K (2019: £59K).

The Group has subcontracted the design, build, operation and maintenance of Alert Communications Group Holdings Limited to Babcock Communications Limited, a company which, through an intermediary holding company, holds a minority interest in Alert Communications Group Holdings Limited. During the year Alert Communications Limited was invoiced £4,008K (2019: £3,622K) by Babcock Communications Limited in connection with operation and maintenance fees. At 31 December 2020, £366K (2019: £409K) remained outstanding.

Veolia manage the operational activities of Catchment Limited, Catchment Moray Limited and Catchment Tay Limited, subsidiaries of the Group in which Veolia Group hold a minority interest. The total invoices raised in the year in respect of these services amounted to £16,258K (2019: £16,277K). At 31 December 2020, £2,050K (2019: £3,073K) remained outstanding.

Balfour Beatty Investments Limited, a subsidiary of Balfour Beatty plc, is employed under a Secondment Arrangement with Connect A50 Limited for the provision of managerial staff. The value of the services provided in the year was £263K (2019: £307K). At 31 December 2020, £nil (2019: £nil) remained outstanding.

Balfour Beatty Infrastructure Services Limited, a subsidiary of Balfour Beatty plc, is employed under a contract with Connect A50 Limited for the provision of technical supervision and maintenance of a roadway. The value of the contract in the year was £6,850K (2019: £6,716K). At 31 December 2020, £517K (2019: £520K) remained outstanding.

The Group has subcontracted the design, build, operation and maintenance of Societe Des Bus Hybrids Dijonnais to Heuliez Bus, a company which holds a minority interest in Societe Des Bus Hybrids Dijonnais. During the year Societe Des Bus Hybrids Dijonnais was invoiced £2,387K (2019: £834K) by Heuliez Bus for these services. At 31 December 2020, £65K (2019: £91K) remained outstanding.

The Group has subcontracted the design, build, operation and maintenance of Helios B to Engie Group, a company which holds a minority interest in Helios B. Engie Group also receives a reimbursement of the costs of a corporate guarantee. During the year Helios B was invoiced £2,548K (2019: £2,548K) by Engie Group in connection with these services. At 31 December 2020 £970K (2019: £1,033K) remained outstanding.

20. **Parent undertaking and ultimate controlling party**

The ultimate parent and controlling entity is BIIF LP. BIIF LP is owned by a number of investors, with no one investor having individual control.

21. **Pension**

A subsidiary of the Group operates a defined contribution pension scheme for its employees.
The amount recognised as an expense in the statement of comprehensive income was:

	31 Dec 2020	31 Dec 2019
	£000	£000
Current year contributions	**999**	740

22. Financial instruments

(a) Carrying amount of financial instruments

	31 Dec 2020 £000	31 Dec 2019 £000
Assets measured at amortised cost	**1,143,174**	1,219,042
Assets measured at cost less impairment	**333,448**	348,556
Assets measured at fair value	**44,883**	45,134
Liabilities measured at fair value through profit and loss	**(335,726)**	(465,713)
Liabilities measured as amortised cost	**(2,003,132)**	(1,974,084)

(b) Financial instruments measured at fair value

Derivative financial instruments

The fair value of interest rate swaps is based on valuations provided by the swap counterparties. Those valuations are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The interest rates used to discount estimated cash flows, where applicable are based on market interest rates.

The fair value of RPI swaps is based on valuations provided by the swap counterparties. Those valuations are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market forecast inflation rates.

The amount of change in fair value attributable to own credit risk cannot be measured reliability.

The derivative contracts used by the Group are typical for PFI projects. Where projects are debt-funding, interest on the loan is calculated by reference to a floating rate. Interest rate swaps hedge LIBOR fluctuations and mitigate the risk that debt interest costs will fluctuate as LIBOR fluctuates. The full amount of the senior debt service payment is hedged in this way.

RPI swaps are used to hedge fluctuations in the inflation index which is relevant for the project. Low inflation would otherwise cause a shortfall in cash with which to make senior debt service payments. RPI swaps are structured in such a way to ensure that any volatility in cash flow for senior debt service that could arise due to inflation fluctuations is effectively neutralized.

Interest rate swaps and RPI swaps, where used, are conditions imposed on the PFI project company by the senior debt provider to ensure stability in cash flows.

(c) Hedge accounting

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to occur and affect profit and loss as required by FRS 102.29(a) for the cash flow hedge accounting models:

22. **Financial instruments *(continued)***

	Carrying amount £000	Expected cash flows £000	1 year or less £000	1 year or more £000
Period ended 31 December 2020				
Interest rate swaps:				
Assets	**44,883**	**44,883**	**-**	**44,883**
Liabilities	**(236,881)**	**(236,881)**	**(34,061)**	**(202,820)**
RPI swaps:				
Liabilities	**(98,845)**	**(98,845)**	**(14,213)**	**(84,632)**
Period ended 31 December 2019				
Interest rate swaps:				
Assets	45,134	45,134	-	45,134
Liabilities	(369,718)	(369,718)	(47,917)	(321,801)
RPI swaps:				
Liabilities	(95,995)	(95,995)	(12,441)	(83,554)

The Group applies hedge accounting in accordance with FRS102.12.

Interest rate swaps are used as a hedging instrument against floating rate loans as the hedged item. RPI swaps are used as a hedging instrument against that portion of unitary payment receipts which are required to make periodic senior debt service payments.

Fair value of these hedging instruments are reported in note 23(d). The amount of the change in fair value of the hedging instruments recognised in other comprehensive income for the period and the amount that was recycled to profit or loss for the year are shown in the Statement of Consolidated Other Comprehensive Income.

(d) Fair values

The amounts for all financial assets and financial liabilities carried at fair value are as follows:

	Fair value 31 Dec 2020 £000	Fair value 31 Dec 2019 £000
Interest rate swap contracts	**(236,881)**	(369,718)
RPI swap contracts	**(98,845)**	(95,995)

During 2020, a hedging gain of £160K (2019: £10,157K) was recognised in other comprehensive income for changes in the fair value of the interest rate swap together with a loss of £6,975 (2019: gain £4,533K) recognised in the profit and loss for the financial year.

23. Investments in Subsidiaries

The companies listed below are wholly owned subsidiaries of the Company and all investments are in ordinary shares:

Registered Office -Cannon Place, 78 Cannon Street, London, EC4N 6AF

A-Roads Investments Limited
Adams Campus Limited
AM Holdco Limited
Anavon Holdings Limited
Anavon Limited
BIIF Bidco Limited
Blackshaw Healthcare Services Holdings Limited
Blackshaw Healthcare Services Ltd
BIIF Holdco II Limited
BIIF Holdco III Limited
BIIF IssuerCo Limited
BIIF Parentco Limited
CH Bolton Limited
CH Holton (Holdings) Limited
Cricketdrift Limited
Defence Management Group (Holdings) Limited
Defence Management (Holdings) Limited
Defence Management (Watchfield) Limited
Duchesspark Holdings Limited
Duchesspark Limited
Durham Investments Holdco Limited
Eastbrook Facilities Holdings 2 Limited
Eastbrook Facilities Holdings Limited
Eastbrook Facilities Limited
Elbon Holdings (1) Limited
Elbon Holdings (2) Limited
Elbon Holdings (3) Limited
Elbon PFI Fund (Investments) Limited
ERI Holdings Limited
Grannag Limited
GH Bodmin Holdings Limited
GH Bodmin Limited
GH Bury Holdings Limited
GH Bury Limited
GH Newham Holdings Limited
GH Newham Limited
HSC Investments Limited
I2 Bidco Limited
I2 Holdco 2 Limited
I2 Holdco Limited
Infrastructure Investors Castlehill Holdings Limited
Infrastructure Investors Castlehill Limited
International Water (Highland) Limited

23. **Investments in Subsidiaries *(continued)***

International Water (Tay) Limited
Investment Holdings (Genistics) Limited
IWL Moray Montrose Limited
IWUUHH Limited
Kilmarnock PFI Holdings Limited
Kilmarnock Prison Services Limited
Kinnoull House Holdings Limited
Kintra Limited
Lanterndew Limited
Lowdham Grange Prison Services Limited
Luton Health Facilities (Holdings) Limited
Luton Health Facilities Limited
M1-A1 Investments Limited
M1-A1 Yorkshire Limited
Machrie Burn Limited
Machrie Limited
Matrix FPMS Holdings Limited
Matrix FPMS Limited
Matrix PFI Developments Limited
Matrix PFI GP Limited
Matrix PFI Holdings Limited
Matrix Premier Holdings Limited
Moreton Prison Services Limited
Newmount Holdings Limited
Newmount Limited
Newschools (Penweddig) Holdings Limited
Newschools (Penweddig) Limited
Normanby Healthcare Group Holdings Limited
Normanby Healthcare (Holdings) Limited
Normanby Healthcare (Projects) Limited
Nuffield Albion Healthcare Limited
NVSH TopCo Limited
PFI Infrastructure Finance Limited
PFI Senior Funding Limited
PIF Vulcans Lane Limited
PIF West Cumbria Limited
Premier Custodial Finance Limited
Premier Custodial Investments Limited
Premier Custodial Sub-debt Limited
Pucklechurch Custodial Services Limited
Reno Water (Moray) Limited
Reno Water (Tay) Limited
Robertson Education (Aberdeenshire) Group Holdings Limited
Robertson Education (Ingleby Barwick) Group Holdings Limited
Robertson Education (Ingleby Barwick) Holdings Limited
Robertson Education (Ingleby Barwick) Limited
Robertson Health (Chester le Street) Group Holdings Limited
Robertson Health (Chester le Street) Holdings Limited
Robertson Health (Chester le Street) Limited
SD Marine Services (Holdings) Limited
SD Marine Services Limited
Tiverton Healthcare Facilities Limited

23. **Investments in Subsidiaries *(continued)***

VLE Holdings Limited
Vulcans Lane Estates Limited
Wansbeck Healthcare Facilities (Holdings) Limited
Wansbeck Healthcare Facilities Limited
WCEM Holdings Limited
West Cumbria Estates Management Limited

Registered Office -2nd Floor. 11 Thistle Street, Edinburgh, EH2 1DF

ABC Schools (Holdings) Limited
ABC Schools Limited
Alpha Schools (West Lothian) Holdings Limited
Alpha Schools (West Lothian) Limited
Bannockburn Group Limited
Bannockburn Holdings Limited
Bannockburn Homes Limited
Catchment Highland Holdings Limited
Catchment Highland Limited
Catchment Limited
Covesea Holdings Limited
Dumfries Facilities (Holdings) Limited
Dumfries Facilities Ltd
Elgin Water Limited
Forfar Healthcare (Holdings) Limited
Forfar Healthcare Limited
Infrastructure Managers Limited
International Water UU (Highland) Limited
KE Project Limited
Kinnoull House Limited
LH Project Limited
Lochgilphead Healthcare Services (Holdings) Limited
Midlothian Schools (Debtco) Limited
Midlothian Schools (Holdings) Limited
Midlothian Schools Limited
Morris Eddie Limited
NVSH Holdco Limited
Robertson Education (Aberdeenshire) Holdings Limited
Robertson Education (Aberdeenshire) Limited
Salisbury Healthcare Facilities (Holdings) Limited
Salisbury Healthcare Facilities Limited
Tiverton Healthcare Facilities (Holdings) Limited
West Lothian Education Limited

Registered Office -4/7 Esplanade , St Helier, Jersey, JE1 0DE

BIIF Offshare Windkraft Holdings Limited

Registered Office – St James Chambers, Athol Street, Douglas, Isle of Man, IM1 1JE

PFI Infrastructure Company plc

23. **Investments in Subsidiaries** ***(continued)***

Registered Office – Beaufort Court Egg Farm Lane, Off Station Road, Kings Langley, Hertfordshire, WD4 8LR

Black Hill Wind Farm Topco Limited
Black Hill Wind Farm Holdco Limited
Black Hill Wind Farm Limited

Registered Office – 6, Rue Eugene Ruppert L-2453, Luxembourg

Barclays Integrated Infrastructure Project sarl

The companies listed below are subsidiaries of the Company but are not wholly owned. All investments are in ordinary shares:

Registered Office -Cannon Place, 78 Cannon Street, London, EC4N 6AF

HpC King's College Hospital (Holdings) Limited (75%)
HpC King's College Hospital (Issuer) plc (75%)
HpC King's College Hospital Limited (75%)
Innovate East Lothian (Holdings) Limited (90%)
Innovate East Lothain Limited (90%)
Reno Water Highland Limited (70%)
Reno. Water (Tay) Limited (55%)

Registered Office -2nd Floor. 11 Thistle Street, Edinburgh, EH2 1DF

Catchment Moray Holdings Limited (85%)
Catchment Moray Limited (85%)
Catchment Tay Holdings Limited (51%)
Catchment Tay Limited (51%)
Covesea Limited (54%)
Lochgilphead Healthcare Services Limited (55%)

Registered Office – 6, Rue Eugene Ruppert L-2453, Luxembourg
Helios B (SJDA 11) (90%)
Societe des Bus Hybrides Dijonnais (90%)

Registered Office – 6th Floor 350 Euston Road, Regents Place, London, NW1 3AX

Connect A50 Limited (75%)
Connect Roads Limited (75%)

Registered Office – 33 Wigmore Street, London, W1U 1QX

Alert Communications Group Holdings Limited (80%)
Alert Communications (2006) Limited
Alert Communications (Holdings) Limited
Alert Communications Limited

23. **Investments in Subsidiaries *(continued)***

BIIF Holdco Limited has given a guarantee under section 479C of the Companies Act 2006 (the 'Act') in respect of the year ended 31 December 2020 to the following of its subsidiary companies and the following subsidiary companies are exempt from the requirements of the Act relating to the audit of individual statements by virtue of Section 479A of the Companies Act 2006:

Company Name	Registered Number
Anavon Limited	03345300
Bannockburn Holdings Limited	SC195478
BIIF Parentco Limited	06704777
Duchesspark Holdings Limited	06420368
I2 Holdco 2 Limited	06239026
Lanterndew Limited	05133562
M1-A1 Investments Limited	06003363
NVSH Topco Limited	06965694
Infrastructure Investors Castlehill Holdings Limited	03897418
Elbon Holdings (3) Limited	05572070
Infrastructure Investors Castlehill Limited	03897442
Eastbrook Facilities Holdings Limited	04309178
Alpha Schools (West Lothian Holdings) Limited	SC212847
Blackshaw Healthcare Services Holdings Limited	03872309
Dumfries Facilities (Holdings) Limited	SC203849
GH Bodmin Holdings Limited	03748084
GH Bury Holdings Limited	03748018
GH Newham Holdings Limited	03748050
Kinnoull House Holdings Limited	05624927
Luton Healthcare Facilities (Holdings) Limited	03997460
Machrie Burn Limited	03719548
Newmount Holdings Limited	04212599
Wansbeck Healthcare Facilities (Holdings) Limited	03933041
Elbon PFI Fund (Investments) Limited	04196287
Morris Eddie Limited	SC201468
Bannockburn Group Limited	SC237879
Newschools (Penweddig) Holdings Limited	03773789
PIF West Cumbria Limited	05780663
Robertson Education (Aberdeenshire) Group Holdings Limited	05934601
Salisbury Healthcare Facilities (Holdings) Limited	SC255428
I2 Bidco Limited	06228634
I2 Holdco Limited	06228633
Kilmarnock PFI Holdings Limited	05971387
Matrix PFI Developments Limited	05855043
Matrix PFI GP Limited	05799677
Matrix PFI Holdings Limited	06435881
Matrix FPMS Limited	06378798
Defence Management Group Holdings Limited	06385476
Matrix FPMS Holdings Limited	06434638
Matrix Premier Holdings Limited	05855031
Defence Management (Holdings) Limited	03564570
Premier Custodial Finance Limited	03849244
Premier Custodial Investments Limited	03849142
Premier Custodial Sub-debt Limited	05964120
Normanby Healthcare (Holdings) Limited	04152700
WCEM (Holdings) Limited	03955220
Robertson Education (Ingleby Barwick) (Holdings) Limited	04375611
Robertson Health (Chester le Street) Holdings Limited	04236937

24. **Investments in Associates and Joint Ventures**

The companies listed below are investments in joint ventures and associates together with particulars of loans due:

Joint ventures and associates	% holding ordinary shares	Country of Incorporation	Sector	Sum advanced £000	Interest rate applied	Date of maturity of loan	Interest received £000	Accrued income and prepayment at 31 Dec 2020 £000	Accounting period end date	Registered office
Key Health Services (Addenbrookes) Limited	50.00%	England & Wales	Healthcare	3,563	11.25%	2037	749	389	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Fasttrax Limited	50.00%	England & Wales	Military	1,837	11.25%	2025	319	73	31 December	Hill Park Court, Springfield Drive, Leatherhead, Surrey, KT22 7NL
Summit Healthcare (Wishaw) Ltd	60.00%	Scotland	Healthcare	8,819	18.00%	2028	1,272	400	31 March	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Modern Courts (Humberside) Ltd	50.00%	England & Wales	Justice	1,273	13.00%	2025	166	28	30 April	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Modern Courts (East Anglia) Ltd	50.00%	England & Wales	Justice	889	13.20%	2025	118	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
The Education Support Company (Leeds) Ltd	50.00%	England & Wales	Education	1,369	13.00%	2028	178	45	31 March	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Consort Healthcare (Durham) Limited	50.00%	England & Wales	Healthcare	3,585	LIBOR + 6%	2028	246	36	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Genistics Ltd	50.00%	England & Wales	Military	7,691	13.50%	2020	1,290	245	31 December	Rolls Royce Plc PO BOX 31, Moor Lane, Derby, Derbyshire, DE24 8BJ
Connect M1-A1 Limited	50.00%	England & Wales	Transport	2,854	15.00%	2016	446	157	31 March	6th Floor 350 Euston Road, Regents Place, London, NW1 3AX
PPP Services (North Ayrshire) Limited	54.50%	Scotland	Education	4,279	14.00%	2037	587	-	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
FCC (East Ayrshire) Limited	44.50%	Scotland	Education	3,559	9.00%	2037	322	-	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Consort Healthcare (Edinburgh Royal Infirmary) Ltd	50.00%	Scotland	Education	5,754	LIBOR + 6.00%	2023	429	149	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Glasgow Healthcare Facilities Ltd	50.00%	Scotland	Healthcare	9,700	13.75%	2039	1,337	5	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Stobhill Healthcare Facilities Limited	60.00%	Scotland	Healthcare	1,206	13.25%	2031/2042	159	53	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Sewell Education (York) Limited	50.00%	England & Wales	Education	-	-	-	-	-	31 December	Geneva Way, Leads Road, Hull, North Humberside, HU7 0DG
Stirling Gateway Limited	50.00%	Scotland	Education	3,309	13.50%	2039	447	112	31 March	Quartermile One, 15 Lauriston Place, Edinburgh, EH3 9EP
Sheppey Route Limited	50.00%	England & Wales	Transport	2,502	12.75%	2033	324	68	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF

24. **Investments in Associates and Joint Ventures *(continued)***

Joint ventures and associates	% holding ordinary shares	Country of Incorporation	Sector	Sum advanced £000	Interest rate applied	Date of maturity of loan	Interest received £000	Accrued income and prepayment at 31 Dec 2020 £000	Accounting period end date	Registered office
Blue Transmission Walney 1 Limited	50.00%	Jersey	Energy	6,226	7.88% + RPI	2031	672	-	31 March	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Blue Transmission Walney 2 Limited	50.00%	Jersey	Energy	8,729	7.88% + RPI	2031	956	-	31 March	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Blue Transmission London Array Limited	50.00%	England & Wales	Energy	37,532	8.21%	2033	3,463	-	31 March	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Blue Transmission Sheringham Shoal Limited	50.00%	England & Wales	Energy	9,726	9.50%	2033	926	1	31 March	Cannon Place, 78 Cannon Street, London, EC4N 6AF
The Walsall Hospital Company Limited	50.00%	England & Wales	Healthcare	7,704	12.30%	2040	948	-	31 December	8 White Oak Square, London Road, Swanley, Kent, BR8 7AG
Hounslow Highways Services Limited	50.00%	England & Wales	Transport	10,146	9.25%	-	943	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Helios A SPV (SJDA 12)	56.35%	France	Justice	7,564	-	-	-	-	28 February	6, Rue Eugène Ruppert L-2453 Luxembourg
Ligeria (SJDA 13)	60.00%	France	Education	1,990	-	-	-	-	31 December	6, Rue Eugène Ruppert L-2453 Luxembourg
Canopee IML SAS	50.00%	France	Management	-	-	-	-	-	31 December	3, Rue de Vienne, 75008, Paris, France
Blue Transmission Investment Limited	50.00%	Jersey	Energy	-	-	-	5,541	-	31 March	47 Esplanade, St Helier, Jersey JE1 0BD
Schools Capital Limited	49.00%	England & Wales	Education	-	-	-	832	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Road Management Group Limited	41.67%	England & Wales	Transport	4,804	12.00%	2022	2,309	363	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Road Management Services (Darrington) Limited	25.00%	England & Wales	Transport	2,377	10.00%	2036	160	-	31 December	Third Floor Broad Quay House, Prince Street, Bristol, BS1 4DJ
Catalyst Healthcare (Calderdale) Ltd	20.00%	England & Wales	Healthcare	638	15.00%	2031	96	8	31 December	C/O Albany Spc Services Ltd 3rd Floor, 3-5 Charlotte Street, Manchester, England, M1 4HB
Catalyst Healthcare (Worcester) Ltd	16.67%	England & Wales	Healthcare	526	8.40%	2031	79	-	31 December	C/O Albany Spc Services Ltd 3rd Floor, 3-5 Charlotte Street, Manchester, England, M1 4HB
Albion Healthcare (Oxford) Limited	25.00%	England & Wales	Healthcare	846	12.26%	2036	104	52	31 December	Third Floor Broad Quay House, Prince Street, Bristol, BS1 4DJ
City Greenwich Lewisham Rail Link plc	40.00%	England & Wales	Transport	-	-	-	-	-	31 December	73 Norman Road, Greenwich, London, SE10 9QF
Connect A30/35 Limited	15.00%	England & Wales	Transport	-	-	-	-	-	31 March	6th Floor 350 Euston Road, Regents Place, London, NW1 3AX
Connect M77 / GSO Limited	15.00%	England & Wales	Transport	3,553	12.10%	2035	300	114	31 March	6th Floor 350 Euston Road, Regents Place, London, NW1 3AX
Emblem Schools Limited	30.00%	Scotland	Education	1,681	13.75%	2032	231	58	31 March	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Manchester Schools Services Limited	24.50%	England & Wales	Education	408	12.85%	2031	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF

24. **Investments in Associates and Joint Ventures *(continued)***

Joint ventures and associates	% holding ordinary shares	Country of Incorporation	Sector	Sum advanced £000	Interest rate applied	Date of maturity of loan	Interest received £000	Accrued income and prepayment at 31 Dec 2020 £000	Accounting period end date	Registered office
CSM PPP Services Limited	24.50%	Ireland	Education	908	-	-	-	-	31 December	First Floor Return, 25 Merrion Square, Dublin 2
Bangor and Nendrum Schools Services Limited	19.60%	Northern Ireland	Education	583	-	-	-	-	31 December	C/O Cleaver Fulton Rankin, 50 Bedford Street, Belfast, BT2 7FW
Salford Schools Solutions Limited	24.50%	England & Wales	Education	347	-	-	-	-	31 December	Third Floor Broad Quay House, Prince Street, Bristol, BS1 4DJ
The Edinburgh Schools Partnership Limited	17.14%	Scotland	Education	206	13.07%	2033	37	510	31 March	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Lighting for Staffordshire Limited	40.00%	England & Wales	Transport	76	13.18%	2025	11	2	31 December	Westwood Way, Westwood Business Park, Coventry, CV4 8LG
Key Health Services Holdings (Addenbrookes) Limited	50%	England & Wales	Healthcare	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Fasttrax Holdings Limited	50%	England & Wales	Military	-	-	-	-	-	31 December	Hill Park Court, Springfield Drive, Leatherhead, Surrey, KT22 7NL
Summit Holdings (Wishaw) Limited	60%	Scotland	Healthcare	-	-	-	-	-	31 March	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Summit Finance (Wishaw) plc	60%	Scotland	Healthcare	-	-	-	-	-	31 March	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Modern Courts Holdings (Humberside) Limited	50%	England & Wales	Justice	-	-	-	-	-	30 April	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Modern Courts Holdings (East Anglia) Limited	50%	England & Wales	Justice	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
The Education Support Company Holdings (Leeds) Limited	50%	England & Wales	Education	-	-	-	-	-	31 March	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Consort Healthcare (Durham) Holdings Limited	50%	England & Wales	Healthcare	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Genistics Holdings Limited	50%	England & Wales	Military	-	-	-	-	-	31 December	Rolls Royce Plc PO BOX 31, Moor Lane, Derby, Derbyshire, DE24 8BJ
Connect M1-A1 Holdings Limited	50%	England & Wales	Transport	-	-	-	-	-	31 March	6th Floor 350 Euston Road, Regents Place, London, NW1 3AX
PPP Services (North Ayrshire) Holdings Limited	55%	Scotland	Education	-	-	-	-	-	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
FCC (East Ayrshire) Holdings Limited	45%	Scotland	Education	-	-	-	-	-	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Consort Healthcare (Edinburgh Royal Infirmary) Holdings Limited	50%	Scotland	Education	-	-	-	-	-	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Consort Healthcare (Edinburgh Royal Infirmary) Investments Limited	50%	Scotland	Education	-	-	-	-	-	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Consort Healthcare (Edinburgh Royal Infirmary) Finance Limited	50%	Scotland	Education	-	-	-	-	-	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF

24. **Investments in Associates and Joint Ventures *(continued)***

Joint ventures and associates	% holding ordinary shares	Country of Incorporation	Sector	Sum advanced £000	Interest rate applied	Date of maturity of loan	Interest received £000	Accrued income and prepayment at 31 Dec 2019 £000	Accounting period end date	Registered office
Glasgow Healthcare Facilities (Holdings) Limited	50%	Scotland	Healthcare	-	-	-	-	-	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Stobhill Healthcare Facilities (Holdings) Limited	60%	Scotland	Healthcare	-	-	-	-	-	31 December	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Sewell Education (York) Holdings Limited	50%	England & Wales	Education	-	-	-	-	-	31 December	Geneva Way, Leads Road, Hull, North Humberside, HU7 0DG
Stirling Gateway HC Limited	50%	Scotland	Education	-	-	-	-	-	31 March	Quartermile One, 15 Lauriston Place, Edinburgh, EH3 9EP
Sheppey Route (Holdings) Limited	50%	England & Wales	Transport	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Blue Transmission Walney 1 (Holdings) Limited	50%	England & Wales	Energy	-	-	-	-	-	31 March	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Blue Transmission Walney 2 (Holdings) Limited	50%	England & Wales	Energy	-	-	-	-	-	31 March	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Blue Transmission Walney 2 Investments Limited	50%	Jersey	Energy	-	-	-	-	-	31 March	47 Esplanade, St Helier, Jersey, JE1 0BD, Channel Islands
Blue Transmission London Array (Holdings) Limited	50%	England & Wales	Energy	-	-	-	-	-	31 March	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Blue Transmission Sheringham Shoal (Holdings) Limited	50%	England & Wales	Energy	-	-	-	-	-	31 March	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Blue Transmission Sheringham Shoal Investments Limited	50%	Jersey	Energy	-	-	-	-	-	31 March	47 Esplanade, St Helier, Jersey, JE1 0BD, Channel Islands
Blue Transmission Investments Limited	50%	Jersey	Energy	-	-	-	-	-	31 March	47 Esplanade, St Helier, Jersey, JE1 0BD, Channel Islands
The Walsall Hospital Company (Holdings) Limited	50%	England & Wales	Healthcare	-	-	-	-	-	31 December	8 White Oak Square, London Road, Swanley, Kent, BR8 7AG
Hounslow Highways Investment Limited	50%	England & Wales	Transport	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Hounslow Highways Investment 2 Limited	50%	England & Wales	Transport	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Road Management Consolidated plc	42%	England & Wales	Transport	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Road Management Limited	42%	England & Wales	Transport	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Road Management Services (Gloucester) Limited	42%	England & Wales	Transport	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
Road Management Services (Peterborough) Limited	42%	England & Wales	Transport	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF

24. **Investments in Associates and Joint Ventures *(continued)***

Joint ventures and associates	% holding ordinary shares	Country of Incorporation	Sector	Sum advanced £000	Interest rate applied	Date of maturity of loan	Interest received £000	Accrued income and prepayment at 31 Dec 2020 £000	Accounting period end date	Registered office
Road Management Services (Darrington) Holdings Limited	25%	England & Wales	Transport	-	-	-	-	-	31 December	Third Floor Broad Quay House, Prince Street, Bristol, BS1 4DJ
Road Management Services (Finance) plc	25%	England & Wales	Transport	-	-	-	-	-	31 December	Third Floor Broad Quay House, Prince Street, Bristol, BS1 4DJ
Calderdale Hospital SPC Holdings Limited	20%	England & Wales	Healthcare	-	-	-	-	-	31 December	C/O Albany Spc Services Ltd 3rd Floor, 3-5 Charlotte Street, Manchester, England, M1 4HB
Worcestershire Hospital SPC Holdings Limited	17%	England & Wales	Healthcare	-	-	-	-	-	31 December	C/O Albany Spc Services Ltd 3rd Floor, 3-5 Charlotte Street, Manchester, England, M1 4HB
Albion Healthcare (Oxford) Holdings Limited	25%	England & Wales	Healthcare	-	-	-	-	-	31 December	Third Floor Broad Quay House, Prince Street, Bristol, BS1 4DJ
Connect A30/A35 Holdings Limited	15%	England & Wales	Transport	-	-	-	-	-	31 March	6th Floor 350 Euston Road, Regents Place, London, NW1 3AX
Connect M77 / GSO Holdings Limited	15%	England & Wales	Transport	-	-	-	-	-	31 March	6th Floor 350 Euston Road, Regents Place, London, NW1 3AX
Emblem Schools (Holdings) Limited	30%	Scotland	Education	-	-	-	-	-	31 March	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Manchester Schools Services Holdings Limited	25%	England & Wales	Education	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
CSM PPP Services (Holdings) Limited	25%	Ireland	Education	-	-	-	-	-	31 December	First Floor Return, 25 Merrion Square, Dublin 2
Bangor and Nendrum Schools Services Holdings Limited	20%	Northern Ireland	Education	-	-	-	-	-	31 December	C/O Cleaver Fulton Rankin, 50 Bedford Street, Belfast, BT2 7FW
Salford Schools Solutions Holdco Limited	25%	England & Wales	Education	-	-	-	-	-	31 December	Third Floor Broad Quay House, Prince Street, Bristol, BS1 4DJ
Schools Capital Limited	49%	England & Wales	Education	-	-	-	-	-	31 December	Cannon Place, 78 Cannon Street, London, EC4N 6AF
ESP (Holdings) Limited	17%	Scotland	Education	-	-	-	-	-	31 March	2nd Floor 11 Thistle Street, Edinburgh, EH2 1DF
Lighting for Staffordshire Holdings Limited	40%	England & Wales	Transport	-	-	-	-	-	31 December	Westwood Way, Westwood Business Park, Coventry, CV4 8LG