

Registration number: 6335776

Semperian PPP Investment Partners Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2020



Semperian PPP Investment Partners Limited

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Semperian PPP Investment Partners Limited

Company Information

Directors A E Birch
A C M Rhodes
J M Simpson

Company secretary S Taberner

Registered office 4th Floor
1 Gresham Street
London
EC2V 7BX

Independent Auditors PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
2 Glass Wharf
Bristol
BS2 0FR

Semperian PPP Investment Partners Limited

Strategic Report for the Year Ended 31 March 2020

The directors present their strategic report for the year ended 31 March 2020.

Principal activity

The principal activity of the company is to hold investments in undertakings engaged in the development and funding of investment opportunities in Private Finance Initiative markets.

Results and review of business

The loss for the year is set out in the profit and loss account on page 9. The company has continued to receive income from its subsidiaries and the directors are satisfied that the company's investments are performing in line with the directors' long term expectations. Accordingly, the carrying value of investments, as shown in the balance sheet, remains supportable, and the prospects for the future are considered to be satisfactory.

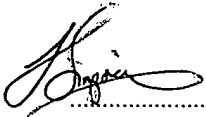
Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties and financial risk management policies are integrated with the principal risks of the Semperian PPP Investment Partners Holdings Limited group of companies ("the group") and are not managed separately. Accordingly, the principal risks and uncertainties of Semperian PPP Investment Partners Holdings Limited, which include those of the company, are discussed in the Semperian PPP Investment Partners Holdings Limited consolidated report and financial statements which does not form part of this report.

Key performance indicators ('KPIs')

Given the nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Approved by the Board on 20/10/2020 and signed on its behalf by:



J M Simpson
Director

Semperian PPP Investment Partners Limited

Directors' Report for the Year Ended 31 March 2020

Registration number: 6335776

The directors present their report and the audited financial statements for the year ended 31 March 2020.

Future developments

No significant changes are expected to the company's activities, as set out in the Strategic Report, in the foreseeable future.

Dividends

No dividend was paid during the year (2019: £nil, £nil per ordinary share).

Financial risk management

The company has exposures to a variety of financial risks which are managed with the purpose of minimising any potential adverse effect on the company's performance. The directors have policies for managing each of these risks and they are summarised below:

Interest rate risk

The senior debt interest has been fixed through the use of fixed funding rates, plus a margin, as set out in note 14.

Liquidity risk

The company adopts a prudent approach to liquidity management by endeavouring to maintain sufficient cash and liquid resources to meet its obligations as they fall due.

Coronavirus (COVID-19) impact on the financial statements

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken to contain the virus have affected economic activity and include limiting the movement of people and the temporary closure or disruption of businesses and public services.

The company's principal activity is holding investments in subsidiaries predominantly engaged in infrastructure projects under PFI contracts. The company would therefore only be impacted by the coronavirus outbreak insofar as this impacted the performance of its investments, predominantly in its subsidiaries.

The Cabinet Office have issued a notice (Procurement Policy Note - Supplier relief due to COVID-19, PPN 02/20) that all supplier payments will be maintained as per their individual contracts. Further guidance was also issued on 2 April by the Infrastructure and Projects Authority (IPA Guidance) specifically relating to PFI contracts. The IPA guidance is consistent with PPN 02/20. As a result, revenues within the company's investments and subsidiaries are largely unchanged.

Whilst there may be short term disruption there is expected to be no significant overall impact on performance over the life of the projects. The opinion of the Directors is that the coronavirus outbreak will have no impact on the company's ability to continue as a going concern.

Brexit risk

The directors have assessed the impact, on the company, arising from the uncertainty attached to the terms of the United Kingdom's withdrawal from the European Union. At this stage the impact cannot be fully understood, and political and economic commentators differ in their assessment of the potential severity of the risks associated with each potential outcome.

As the company operates solely in the United Kingdom the directors do not expect the company will be directly impacted by changes to future trading arrangements, with the EU and the rest of the world, however the directors continue to monitor any potential impact arising from the wider financial markets and the company's supply chain.

Semperian PPP Investment Partners Limited

Directors' Report for the Year Ended 31 March 2020 (continued)

Directors of the company

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

A E Birch

A C M Rhodes

J M Simpson

Statement of directors' responsibilities

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

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

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 financial statements; 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 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Going concern

The company is in a net liability position. Accordingly, the directors have made an assessment as to the entity's ability to continue on a going concern basis.

The directors have reviewed the company's projected profits and cash flows by reference to a financial model. Having examined the current status of the company's fixed asset investments and likely developments in the foreseeable future, and taking into account the ability of its fixed asset investments to pay dividends, interest and other fees, if required, the directors of the company have a reasonable expectation that the company will be able to settle its liabilities as they fall due and accordingly the financial statements have been prepared on a going concern basis.

Semperian PPP Investment Partners Limited

Directors' Report for the Year Ended 31 March 2020 (continued)

Reappointment of auditors

The independent auditors, PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors, have signified their willingness to continue in office.

Approved by the Board on20/10/2020... and signed on its behalf by:



.....
J M Simpson
Director

Semperian PPP Investment Partners Limited

Independent Auditors' Report to the members of Semperian PPP Investment Partners Limited

Report on the audit of the financial statements

Opinion

In our opinion, Semperian PPP Investment Partners Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 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 Balance Sheet as at 31 March 2020; the Profit and Loss Account, the Statement of Comprehensive Income, 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

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

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.

Semperian PPP Investment Partners Limited

Independent Auditors' Report to the members of Semperian PPP Investment Partners Limited (continued)

Reporting on other information (continued)

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Semperian PPP Investment Partners Limited

Independent Auditors' Report to the members of Semperian PPP Investment Partners Limited (continued)

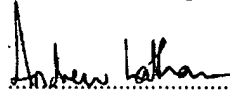
Other required reporting

Companies Act 2006 exception reporting

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

- we have not received 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.



Andrew Latham (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol

Date: 28th October 2020

Semperian PPP Investment Partners Limited

Profit and Loss Account for the Year Ended 31 March 2020

	Note	2020 £ 000	2019 £ 000
Turnover	4	9,938	9,512
Administrative expenses		<u>(11,090)</u>	<u>(7,895)</u>
Operating (loss)/profit	5	(1,152)	1,617
Net loss on derivative financial instruments	18	(718)	(496)
Interest receivable and similar income	6	62,382	60,345
Interest payable and similar charges	7	<u>(105,191)</u>	<u>(80,901)</u>
Loss before taxation		(44,679)	(19,435)
Tax on loss	8	<u>8,111</u>	<u>2,869</u>
Loss for the financial year		<u><u>(36,568)</u></u>	<u><u>(16,566)</u></u>

The above results were derived from continuing operations.

Statement of Comprehensive Income for the Year Ended 31 March 2020

	Note	2020 £ 000	2019 £ 000
Loss for the financial year		<u>(36,568)</u>	<u>(16,566)</u>
Other comprehensive income:			
Change in value of hedging instrument	18	(17,534)	(28,085)
Reclassifications to profit and loss	18	23,867	24,856
Deferred tax arising on unrealised movements on cash flow hedges	8	<u>2,909</u>	<u>549</u>
Other comprehensive income for the year, net of tax		<u>9,242</u>	<u>(2,680)</u>
Total comprehensive income for the year		<u><u>(27,326)</u></u>	<u><u>(19,246)</u></u>


The notes on pages 12 to 33 form an integral part of these financial statements.

Semperian PPP Investment Partners Limited

Balance Sheet as at 31 March 2020

	Note	2020 £ 000	2019 £ 000
Fixed assets			
Investments	9	1,168,341	1,128,249
Current assets			
Debtors: Amounts falling due after more than one year	10	44,008	37,673
Debtors: Amounts falling due within one year	12	63,175	52,550
Cash at bank and in hand		50,120	36,046
		<u>157,303</u>	<u>126,269</u>
Creditors: Amounts falling due within one year	13	<u>(54,095)</u>	<u>(49,762)</u>
Net current assets		<u>103,208</u>	<u>76,507</u>
Total assets less current liabilities		1,271,549	1,204,756
Creditors: Amounts falling due after more than one year	13	<u>(1,624,759)</u>	<u>(1,530,640)</u>
Net liabilities		<u>(353,210)</u>	<u>(325,884)</u>
Capital and reserves			
Called up share capital	15	-	-
Cash flow hedge reserve		(161,431)	(170,673)
Profit and loss account		<u>(191,779)</u>	<u>(155,211)</u>
Total equity		<u>(353,210)</u>	<u>(325,884)</u>

Approved and authorised by the Board on20/10/2020... and signed on its behalf by:



J M Simpson
Director

The notes on pages 12 to 33 form an integral part of these financial statements.

Semperian PPP Investment Partners Limited

Statement of Changes in Equity for the Year Ended 31 March 2020

	Called up Share capital £ 000	Cash flow hedge reserve £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 April 2018	-	(167,993)	(138,645)	(306,638)
Loss for the financial year	-	-	(16,566)	(16,566)
Other comprehensive income	-	(2,680)	-	(2,680)
Total comprehensive income	-	(2,680)	(16,566)	(19,246)
At 31 March 2019	-	(170,673)	(155,211)	(325,884)

	Called up Share capital £ 000	Cash flow hedge reserve £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 April 2019	-	(170,673)	(155,211)	(325,884)
Loss for the financial year	-	-	(36,568)	(36,568)
Other comprehensive income	-	9,242	-	9,242
Total comprehensive income	-	9,242	(36,568)	(27,326)
At 31 March 2020	-	(161,431)	(191,779)	(353,210)

The notes on pages 12 to 33 form an integral part of these financial statements.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

1 General information

The principal activity of the company is to hold investments in undertakings engaged in the development and funding of investment opportunities in Private Finance Initiative markets.

The company is a private company limited by shares and is incorporated and domiciled in England.

The address of its registered office is:

4th Floor
1 Gresham Street
London
EC2V 7BX

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

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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 measured at fair value through profit or loss.

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 judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The financial statements contain information about Semperian PPP Investment Partners Limited as an individual company and do not contain consolidated financial information. The company is exempt from the requirement to prepare consolidated financial statements, under section 401 of the Companies Act 2006, as its results are included in the consolidated financial statements of Semperian PPP Investment Partners Holdings Limited.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

2 Accounting policies (continued)

Going concern

The company is in a net liability position. Accordingly, the directors have made an assessment as to the entity's ability to continue on a going concern basis.

The directors have reviewed the company's projected profits and cash flows by reference to a financial model. Having examined the current status of the company's fixed asset investments and likely developments in the foreseeable future, and taking into account of the ability of its fixed asset investments to pay dividends, interest and other fees, if required, the directors of the company have a reasonable expectation that the company will be able to settle its liabilities as they fall due and accordingly the financial statements have been prepared on a going concern basis.

Turnover

Turnover includes management charges receivable from group undertakings, recognised on an accruals basis.

Foreign currency transactions and balances

Transactions in foreign currencies are translated at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the exchange rates prevailing on the reporting period date and any exchange differences are taken to the profit and loss account.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis. Deferred tax assets are only recognised when it is considered more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Investments

Investments in equity and subordinated loan notes are held as fixed assets and are stated at cost less an appropriate provision to reflect any impairment in the value of the investments. Premiums and discounts on subordinated loan note investments have been amortised over the life of the loan to give a constant effective finance rate. Repayments of loans have been disclosed as disposals of fixed asset investments. Any other impairment of fixed assets is reflected as impairment charges. Where an equity investment has fixed return the premium paid for the equity has been amortised in proportion to the actual dividends to total dividends.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

2 Accounting policies (continued)

Impairment

Fixed asset investments are subject to impairment review if events or changes in circumstances occur which indicate that the carrying amount of the fixed asset may not be fully recoverable. An impairment review comprises a comparison of the carrying amount of the fixed asset with its recoverable amount, which is the higher of net realisable value and value in use.

Net realisable value is calculated by reference to the amount at which the asset could be disposed of. Value in use is calculated by discounting the expected future cash flows obtainable as a result of the assets continued use, including those resulting from its ultimate disposal, at a market based discount rate on a pre-tax basis. The carrying values of fixed assets are written down by the amount of any impairment and this loss is recognised in the profit and loss account in the year in which it occurs.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Cash balances are held in bank accounts which are subject to controls, exercised by the providers of the company's long term debt facilities, under the terms of its facility agreements.

Financial Instruments

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

(i) Financial assets

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

Such assets are subsequently carried at amortised cost using the effective interest method.

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

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

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

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

2 Accounting policies (continued)

(ii) Financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(iv) Derivatives and Hedging arrangements

Derivatives, which may include interest rate swaps and RPI swaps, are not basic financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate, unless they are included in hedging arrangements.

The company applies hedge accounting for transactions entered into to manage the cash flow exposures of borrowings. Interest rate swaps are held to manage the interest rate exposures and are designated as cash flow hedges of floating rate borrowings.

Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in equity. Any ineffectiveness in the hedging relationship (being the excess of the cumulative change in fair value of the hedging instrument since inception of the hedge over the cumulative change in the fair value of the hedged item since inception of the hedge) is recognised in the profit and loss account.

The gain or loss recognised in other comprehensive income is reclassified to the profit and loss account in the same period in which the hedged transaction is recognised in the profit and loss account or when the hedge relationship ends. Hedge accounting is discontinued when the hedging instrument expires, no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised or the hedging instrument is terminated.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

2 Accounting policies (continued)

Called up share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The exemptions which the company has taken are:

- (i) the requirement to prepare a statement of cash flows;
- (ii) certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated;
- (iii) the requirement to disclose related party transactions, with the members of the same group, that are wholly owned;
- (iv) the requirement to provide consolidated financial statements.

3 Critical accounting judgements and estimation uncertainty

Judgements, estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily available from other sources.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates made are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. Actual results may subsequently differ from these estimates.

Certain critical accounting judgements and estimates as applicable, adopted by management, in applying the company's accounting policies are described below:

Judgements

Treatment of derivatives

The directors have adopted a policy of cash flow hedge accounting for derivative financial instruments and have assessed that the company's interest rate swaps meet the criteria for hedge accounting under FRS 102. This allows unrealised gains and losses to be deferred in a cash flow hedge reserve and only recognised through the profit and loss account at the same time as the hedged cash flows.

Estimates

Impairment of investments

Management makes an estimate of the likely recoverable value of investments by considering factors including the historical performance, and future forecasts of the respective investment. See note 9 for the carrying value of the investments.

Measurement of derivatives

Derivative financial instruments are recognised at fair value. The measurement of fair value is based on estimates of future market interest and inflation rates and will therefore be subject to change. The company has used a third party expert to assist with valuing such instruments.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

3 Critical accounting judgements and estimation uncertainty (continued)

Taxation

The assessment of the tax charge may include uncertain tax positions where the tax treatment has not yet been agreed with the taxation authorities. Management make an estimate of the taxation charge for the period and the value of balances, with reference to legislation, discussions with taxation authorities, advice from taxation advisors, and the determination of similar taxation cases.

Deferred tax is recognised at tax rates that are expected to be applicable when the timing differences reverse, to the extent that such rates have been substantially enacted.

4 Turnover

The company has been engaged solely in continuing activities in a single class of business within the United Kingdom.

5 Operating (loss)/profit

The company had no employees, other than the directors, during the year (2019: none). The emoluments of the directors are paid by the controlling parties. The directors' services to this company and to a number of fellow group companies are primarily of a non-executive nature and their emoluments are deemed to be wholly attributable to the controlling parties. The controlling parties charged £nil (2019: £nil) to the company in respect of these services.

The audit fee has been borne on the company's behalf by a related company, Imagile Business Support Limited, for which no recharge has been made during the current or previous year.

6 Interest receivable and similar income

	2020 £ 000	2019 £ 000
Interest receivable on loans to group undertakings	61,166	58,720
Interest income on bank deposits	185	100
Other finance income	1,031	1,525
	<u>62,382</u>	<u>60,345</u>

7 Interest payable and similar charges

	2020 £ 000	2019 £ 000
Interest on bank borrowings	17,709	15,576
Interest rate swap costs	46,498	26,374
Other finance costs	105	2
Interest payable on loans from group undertakings	40,879	38,949
	<u>105,191</u>	<u>80,901</u>

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

8 Tax on loss

(a) Tax credit included in profit or loss

	2020 £ 000	2019 £ 000
Current taxation		
UK corporation tax	(5,299)	(2,787)
UK corporation tax adjustment to prior periods	614	2
	<u>(4,685)</u>	<u>(2,785)</u>
Deferred taxation		
Arising from origination and reversal of timing differences	(3,176)	(84)
Arising from changes in tax rates and laws	(250)	-
Total deferred taxation	<u>(3,426)</u>	<u>(84)</u>
Tax on loss	<u>(8,111)</u>	<u>(2,869)</u>

(b) Tax relating to items recognised in other comprehensive income or equity

	2020 £ 000	2019 £ 000
Deferred tax		
Arising from origination and reversal of timing differences	1,204	(549)
Arising from changes in tax rates and laws	(4,113)	-
Total tax income included in other comprehensive income	<u>(2,909)</u>	<u>(549)</u>

(c) Reconciliation of tax credit

The tax on loss for the year is higher than the standard rate of corporation tax in the UK (2019: higher than the standard rate of corporation tax in the UK) of 19% (2019: 19%).

The differences are reconciled below:

	2020 £ 000	2019 £ 000
Loss before taxation	<u>(44,679)</u>	<u>(19,435)</u>
Corporation tax at standard rate	(8,489)	(3,693)
Expenses not deductible for tax purposes	14	52
Adjustments to tax charge in respect of prior years	614	2
Re-measurement of deferred tax - change in UK tax rates	(250)	10
Increase from tax losses for which no deferred tax asset was recognised	-	760
Total tax credit	<u>(8,111)</u>	<u>(2,869)</u>

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

8 Tax on loss (continued)

(d) Tax rate changes

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% had been substantively enacted at the balance sheet date, its effects are included in these financial statements, with the 19% rate therefore applied to all tax balance sheet items.

9 Investments

	Equity Investments £ 000	Subordinated Loan Notes £ 000	Total £ 000
Cost:			
At 1 April 2019	37,577	1,098,062	1,135,639
Additions	-	115,152	115,152
Repayments	-	(74,298)	(74,298)
At 31 March 2020	37,577	1,138,916	1,176,493
Accumulated amortisation:			
At 1 April 2019	-	(7,390)	(7,390)
Amortisation charges	-	(762)	(762)
At 31 March 2020	-	(8,152)	(8,152)
Net book value:			
At 31 March 2020	37,577	1,130,764	1,168,341
At 31 March 2019	37,577	1,090,672	1,128,249

A full list of subsidiaries and related undertakings is shown in note 20.

10 Debtors: Amounts falling due after more than one year

	Note	2020 £ 000	2019 £ 000
Group relief receivable		594	594
Deferred tax assets	11	43,414	37,079
		<u>44,008</u>	<u>37,673</u>

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

11 Deferred tax asset

	Deferred tax £ 000
At 1 April 2019	37,079
Additions dealt with in profit or loss	3,426
Additions dealt with in other comprehensive income	2,909
At 31 March 2020	<u>43,414</u>

The deferred tax asset consists of the following assets:

	2020 £ 000	2019 £ 000
Other timing differences	3,332	261
Fair value of financial instruments	40,082	36,818
	<u>43,414</u>	<u>37,079</u>

12 Debtors: Amounts falling due within one year

	2020 £ 000	2019 £ 000
Trade debtors	-	8
Amounts owed by group undertakings	56,128	48,912
Group relief receivable	7,047	3,630
	<u>63,175</u>	<u>52,550</u>

13 Creditors

	Note	2020 £ 000	2019 £ 000
Amounts falling due within one year			
Senior debt	14	14,043	14,629
Trade creditors		-	4
Amounts owed to group undertakings		24,588	22,832
Other creditors including taxation and social security		359	353
Accruals and deferred income		5,790	6,378
Group relief		9,315	5,566
		<u>54,095</u>	<u>49,762</u>

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

13 Creditors (continued)

	Note	2020 £ 000	2019 £ 000
Amounts falling due after more than one year			
Senior debt	14	795,716	685,060
Subordinated debt	14	618,085	629,007
Derivative financial instruments	18	210,958	216,573
		<u>1,624,759</u>	<u>1,530,640</u>

Shareholder loans

The total shareholder loans of £3,847,252 (2019: £3,040,090) are included within Amounts owed to group undertakings.

On 31 March 2011, the company entered into a £650,000 shareholder loan agreement facility with Danetre PFI Project Company Limited. The balance at the end of the year was £554,938 (2019: £554,938) and the loan was due for repayment on 31 March 2020 with interest charged at the United Kingdom 12 month LIBOR. At 31 March 2020 the loan was redrawn for a period of 12 months to 31 March 2021.

On 27 September 2011, the company entered into a £1,000,000 shareholder loan agreement facility with First Priorities PPP Health Services Limited. The balance at the end of the year was £1,000,000 (2019: £1,000,000) and the loan is due for repayment on 30 September 2020 with interest charged at the United Kingdom 12 month LIBOR.

On 29 June 2015, the company entered into a £1,235,000 shareholder loan agreement facility with Semperian (Community Health) Grosvenor Limited. The balance at the end of the year was £nil (2019: £95,152) and the loan is due for repayment on 29 June 2020 with interest charged at the United Kingdom 12 month LIBOR.

On 21 December 2017, the company entered into a £1,390,000 shareholder loan agreement facility with Grosvenor PPP Holdings Limited. The balance at the end of the year was £712,314 (2019: £1,390,000) and the loan is due for repayment on 21 December 2020 with interest charged at the United Kingdom 12 month LIBOR.

On 16 October 2019, the company entered into a £1,580,000 shareholder loan agreement facility with Leicester BSF Company 2 Limited. The balance at the end of the year was £1,580,000 (2019: £nil) and the loan is due for repayment on 16 October 2020 with interest charged at the United Kingdom 12 month LIBOR.

14 Loans and borrowings

	2020 £ 000	2019 £ 000
Loans and borrowings falling due within one year		
Senior debt	<u>14,043</u>	<u>14,629</u>
 Loans and borrowings falling due between one and five years		
Senior debt	<u>173,515</u>	<u>95,724</u>

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

14 Loans and borrowings (continued)

	2020 £ 000	2019 £ 000
Loans and borrowings falling due after more than five years		
Senior debt	622,201	589,336
Subordinated debt	618,085	629,007
	<u>1,240,286</u>	<u>1,218,343</u>

Loan facilities

The below senior debt loan facilities have been entered into by the company:

Facility date	Facility amount	Repayment date	Interest rate	Balance at 31 March 2020 £ 000	Balance at 31 March 2019 £ 000
9 Nov 07	£510,304,151	31 Mar 35	LIBOR plus margin	352,073	435,897
30 Apr 15	€73,056,025	31 Mar 35	EURIBOR plus margin	61,386	61,064
30 Apr 15	£50,000,000	31 Mar 35	LIBOR plus margin	47,500	48,500
30 Apr 15	£50,000,000	31 Mar 35	4.088%	47,500	48,500
28 Aug 15	£50,000,000	31 Mar 35	LIBOR plus margin	47,390	48,388
14 Sep 18	£62,500,000	31 Mar 35	3.466%	61,250	62,500
8 Nov 19	£75,000,000	8 May 22	LIBOR plus margin	50,300	-
25 Oct 19	€15,000,000	31 Mar 37	2.194%	13,267	-
8 Nov 19	£85,000,000	31 Mar 37	3.150%	85,000	-
31 Jan 20	£50,000,000	31 Mar 37	3.160%	50,000	-

All amounts drawn under the Term Loan Facilities are secured by a fixed charge over the company's undertakings and assets.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

14 Loans and borrowings (continued)

Subordinated debt

On 14 December 2007, the company entered into a 7.25% coupon loan facility with Semperian PPP Investment Partners Holdings Limited, with a total available facility of £345,000,000, subsequently increased to £400,000,000 on 16 October 2009. On 31 March 2010, Semperian PPP Investment Partners Holdings Limited assigned this loan investment to Semperian PPP Investment Partners Group Limited. On 26 June 2018, the company agreed an extension of the interest bearing loan of £50,450,000 and on 14 December 2018, the company agreed an extension of the interest bearing loan of £14,178,592, from Semperian PPP Investment Partners Group Limited. At 31 March 2020, the balance of this facility outstanding was £464,132,610 (2019: £464,132,610).

On 14 December 2007, the company entered into a zero coupon loan facility with Semperian PPP Investment Partners Holdings Limited, with a total available facility of £230,000,000, subsequently increased to £400,000,000 on 16 October 2009. On 31 March 2010, Semperian PPP Investment Partners Holdings Limited assigned this loan investment to Semperian PPP Investment Partners Group Limited. On 26 June 2018, the company agreed an extension of the zero coupon loan of £55,750,000 and on 14 December 2018, the company agreed an extension of the zero coupon loan of £12,021,408, from Semperian PPP Investment Partners Group Limited. At 31 March 2020, the balance of this facility outstanding was £153,952,922 (2019: £164,874,481), after repayments of £10,921,559 (2019: £10,509,290) were made during the year.

15 Called up share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

16 Commitments

As at 31 March 2020 the company had commitments to the value of £6.5m (2019: £6.5m).

The company has issued letters of credit to cover individual obligations and guarantees. Details of the obligations and guarantees of the Group are shown below:

- A guarantee to cover the debt service reserve obligation to the value of £0.5m (2019: £0.5m) on the Gloucester project to design, construct, finance and operate hospital facilities at the Gloucestershire Royal Hospital.
- Guarantees to cover the debt service reserve obligation to the value of £6.0m (2019: £6.0m) on the A1 road project to design, build, upgrade, finance and operate with the Secretary of State for Transport, a section of the A1 (M) in Yorkshire.

17 Related party transactions

As a wholly owned subsidiary of Semperian PPP Investment Partners Holdings Limited, the company has taken advantage of the exemption under FRS 102 - paragraph 33.1A of the requirement to disclose transactions between it and other group companies.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

18 Financial instruments

Fair value of derivatives used for hedging in the Balance Sheet

	Note	2020 £ 000	2019 £ 000
Creditors: Amounts falling due after more than one year - Fair value of swaps	13	<u>(210,958)</u>	<u>(216,573)</u>
Net Fair value of swaps in the Balance Sheet		<u>(210,958)</u>	<u>(216,573)</u>

Movement in Fair value of derivatives used for hedging

	2020 £ 000	2019 £ 000
Recognised through the Profit and Loss Account	(718)	(496)
Recognised through Other Comprehensive Income	<u>6,333</u>	<u>(3,229)</u>
	<u>5,615</u>	<u>(3,725)</u>

The company has considered the amendments to FRS 102 that provide certain reliefs in connection with interest rate benchmark reform. These are mandatory for periods commencing on or after 1 January 2020 but have been early adopted by the company. Below are details of the significant interest rate benchmarks to which the entity's hedging relationships are exposed. The company is monitoring the FRC's phase two plans in respect of interest rate benchmark reform.

The company has entered into nine sterling interest rate swaps to receive interest at LIBOR and pay interest at a rate of between 3.825% and 5.363%. The swaps are based on a total original principal amount of £557,000,000, which reduces in line with the principal amount of the company's sterling Senior loan facilities, and matures between 2033 and 2035.

The instruments are used to hedge the company's exposure to interest rate movements on the Senior loan facility. The fair value of the interest rate swaps are £186,239,189 (2019: £193,043,760). In 2015, £50,000,000 of the Senior loan facility became fixed rate. Within the total fair value of the interest rate swaps £nil (2019: £10,942,497) relates to an interest rate swap based on the original principal amount of £50,000,000 and hedge accounting on this instrument has ceased. In 2019, this swap was fully terminated.

The company has entered into a euro interest rate swap to receive interest at LIBOR and pay interest at a fixed 4.66%. The swap is based on an original principal amount of €73,178,000, which reduces in line with the principal amount of the company's euro Senior loan facilities, and matures in 2035.

The instrument is used to hedge the company's exposure to interest rate movements on the Senior loan facility. The fair value of the interest rate swap is £24,718,664 (2019: £23,529,293).

Cash flows on both euro and sterling loans and interest rate swaps are paid quarterly until 2035. During the year, a hedging loss of £17,534,025 (2019: loss of £28,084,718) was recognised in other comprehensive income for changes in the fair value of the interest rate swap and £23,866,915 (2019: £24,855,894) was reclassified from the hedge reserve to profit and loss within interest payable.

The interest rate swaps are measured at fair value which is determined using valuation techniques that utilise observable inputs. The key inputs used in valuing the derivatives are forward interest rates.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

19 Parent and ultimate parent undertaking

The company's immediate parent is Semperian PPP Investment Partners Group Limited, incorporated in England and Wales.

The ultimate parent and controlling party is Semperian PPP Investment Partners Holdings Limited, incorporated in Jersey. The smallest group and largest group to consolidate these financial statements is Semperian PPP Investment Partners Holdings Limited. These financial statements are available upon request from the Company Secretary at 4th Floor, 1 Gresham Street, London, EC2V 7BX.

20 Subsidiary and related undertakings

The company holds investments in the following undertakings incorporated in the UK:

Direct investment undertakings	Activities	Percentage of ordinary shares held
PFI Investments Limited	Holding company	100.00%
Semperian (Community Health) Limited	Holding company	100.00%
Semperian PPP Investment Partners No.2 Limited	Holding company	100.00%
Semperian PPP Investment Partners No.3 Limited	Holding company	100.00%
Indirect investment undertakings	Activities	Percentage of ordinary shares held
Birmingham Healthcare Services (Holdings) Limited	Holding company	100.00%
Birmingham Healthcare Services Limited	PPP Investment company	100.00%
Brighton & Hove City Schools Services (Holdings) Limited	Holding company	100.00%
Brighton & Hove City Schools Services Limited	PPP Investment company	100.00%
Chiltern Securities Limited	Holding company	100.00%
Abergavenny Facilities Limited	PPP Investment company	100.00%
Marlborough Facilities Limited	PPP Investment company	100.00%
Monmouth Facilities Limited	PPP Investment company	100.00%
NK Facilities Limited	PPP Investment company	100.00%
Redruth Facilities Limited	PPP Investment company	100.00%
Withernsea Facilities Limited	PPP Investment company	100.00%
Defence Training Services Limited	PPP Investment company	50.00%
Dundalk PPP Infrastructure Ireland Limited	Holding company	100.00%
Richmond upon Thames Schools Services (Holdings) Limited	Holding company	100.00%
Richmond upon Thames Schools Services Limited	PPP Investment company	100.00%
Cruciform Services Limited	PPP Investment company	100.00%

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

20 Subsidiary and related undertakings (continued)

Indirect investment undertakings	Activities	Percentage of ordinary shares held
Schools Investment Company Limited	PPP Investment company	100.00%
Sunderland CLC Schools Investment Company Limited	Holding company	100.00%
Sunderland CLC School Services Limited	PPP Investment company	100.00%
Torbay Schools Services Limited	PPP Investment company	100.00%
XJ4 Holding Company Limited	Holding company	100.00%
Eccles Special High Schools Company Limited	PPP Investment company	100.00%
Kirklees Schools Services Limited	PPP Investment company	90.15%
Liverpool Schools Services Limited	PPP Investment company	100.00%
Wirral Schools Services Limited	PPP Investment company	100.00%
XJ6 Schools Holdings Limited	Holding company	100.00%
Bridlington Schools Services Limited	PPP Investment company	100.00%
Debden Schools Services Limited	PPP Investment company	100.00%
Kenton School Services Limited	PPP Investment company	100.00%
Intermediate Care Limited	Holding company	100.00%
RBIL Limited	Holding company	100.00%
Bexley PPP Health Services Limited	PPP Investment company	100.00%
Black Country PPP Health Services Limited	PPP Investment company	100.00%
Epping PPP Maintenance (Health) Services Limited	PPP Investment company	100.00%
First Priorities PPP Health Services Limited	PPP Investment company	100.00%
Hertford PPP Health Services Limited	PPP Investment company	100.00%
Herts & Essex PPP Health Services Limited	PPP Investment company	100.00%
Liskeard PPP Health Services Limited	PPP Investment company	100.00%
New Forest PPP Health Services Limited	PPP Investment company	100.00%
Redbridge PPP Health Services Limited	PPP Investment company	100.00%
South Essex PPP Health Services Limited	PPP Investment company	100.00%
West Mendip PPP Health Services Limited	PPP Investment company	100.00%
RBIL Group Limited	Holding company	100.00%
Semperian (Community Health) Grosvenor Limited	Holding company	100.00%
Grosvenor PPP Holdings Limited	Holding company	100.00%
GH Clayhill Holdings Limited	Holding company	100.00%
GH Clayhill Limited	PPP Investment company	100.00%
GH Gravesham Holdings Limited	Holding company	100.00%

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

20 Subsidiary and related undertakings (continued)

Indirect investment undertakings	Activities	Percentage of ordinary shares held
GH Gravesham Limited	PPP Investment company	100.00%
GH North Northampton Holdings Limited	Holding company	100.00%
GH North Northampton Limited	PPP Investment company	100.00%
GH Stone House Holdings Limited	Holding company	100.00%
GH Stone House Limited	PPP Investment company	100.00%
3 ED Holdings Limited	Holding company	31.00%
3 ED Holdings 2 Limited	Holding company	31.00%
A1 PPP Infrastructure Holdings Limited	Holding company	100.00%
Road Management Services (Darrington) Holdings Limited	Holding company	50.00%
Road Management Services (Darrington) Limited	PPP Investment company	50.00%
Road Management Services (Finance) plc	Holding company	50.00%
API Holdco Limited	Holding company	100.00%
Agecroft Properties (No.2) Limited	PPP Investment company	100.00%
Arteos GP Limited	Holding company	100.00%
Baglan Moor Healthcare Holdings Limited	Holding company	100.00%
Baglan Moor Healthcare plc	PPP Investment company	100.00%
Bandbreeze Limited	Holding company	100.00%
LBS (Fire Services) Limited	PPP Investment company	100.00%
BWP Services (Holdings No 1) Limited	Holding company	100.00%
BWP Services (Holdings No 2) Limited	Holding company	100.00%
BWP Services (Holdings No 3) Limited	Holding company	100.00%
BWP Issuer Plc	Holding company	100.00%
BWP Project Services Limited	PPP Investment company	100.00%
Community Health Facilities (Holdings) Limited	Holding company	100.00%
Community Health Facilities (Oxford) Limited	PPP Investment company	100.00%
D4E Mulberry (Holdings) Limited	Holding company	30.00%
D4E Mulberry Limited	PPP Investment company	30.00%
Endeavour SCH Holdings Limited	Holding company	43.83%
Endeavour SCH PLC	PPP Investment company	43.83%
ESP (Holdings) Limited	Holding company	32.86%
The Edinburgh Schools Partnership Limited	PPP Investment company	32.86%

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

20 Subsidiary and related undertakings (continued)

Indirect investment undertakings	Activities	Percentage of ordinary shares held
Facilities Management Solutions Limited	PPP Investment company	100.00%
Falkirk Group Limited	Holding company	100.00%
Falkirk Schools Partnership Limited	Holding company	100.00%
Class 06 Limited	Holding company	100.00%
Class 98 Limited	PPP Investment company	100.00%
Semperian Investments Limited	Holding company	100.00%
Semperian Joint Ventures Limited	Holding company	100.00%
Accommodation Services (Holdings) Limited	Holding company	50.00%
Integrated Accommodation Services plc	PPP Investment company	50.00%
Albion Healthcare (Oxford) Holdings Limited	Holding company	50.00%
Albion Healthcare (Oxford) Limited	PPP Investment company	50.00%
East London Lift Investments Limited	PPP Investment company	50.00%
Infracare East London Limited	PPP Investment company	30.00%
East London Lift Accommodation Services Limited	PPP Investment company	30.00%
East London Lift Holdco No2 Limited	Holding company	30.00%
East London Lift Accommodation Services No2 Limited	PPP Investment company	30.00%
East London Lift Holdco No3 Limited	Holding company	30.00%
Ellas No3 Limited	PPP Investment company	30.00%
East London Lift Holdco No4 Limited	Holding company	30.00%
Ellas No4 Limited	PPP Investment company	30.00%
Semperian (Fazakerley) Limited	PPP Investment company	100.00%
Fazakerley Prison Services Limited	PPP Investment company	100.00%
Semperian (Onley) Limited	Holding company	100.00%
Onley Prison Services Limited	PPP Investment company	100.00%
Healthcare Providers Limited	Holding company	100.00%
Hull Maternity Development Limited	PPP Investment company	100.00%
North Wiltshire Schools Limited	Holding company	100.00%
White Horse Education Partnership Limited	PPP Investment company	100.00%
Ochre Solutions (Holdings) Limited	Holding company	20.00%
Ochre Solutions Limited	PPP Investment company	20.00%
UK Court Services (Manchester) Holdings Limited	Holding company	100.00%
UK Court Services (Manchester) Limited	PPP Investment company	100.00%
Semperian IP 2 Limited	Holding company	100.00%

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

20 Subsidiary and related undertakings (continued)

Indirect investment undertakings	Activities	Percentage of ordinary shares held
Semperian Leicester BSF Limited	Holding company	100.00%
Semperian Leicester PSP Limited	Holding company	100.00%
Leicester BSF Holdings Company 1 Limited	Holding company	100.00%
Leicester BSF Company 1 Limited	PPP Investment company	100.00%
Leicester BSF Holdings Company 2 Limited	Holding company	100.00%
Leicester BSF Company 2 Limited	PPP Investment company	100.00%
Haringey Schools Services Limited	PPP Investment company	100.00%
Healthcare Providers (Gloucester) Limited	PPP Investment company	50.00%
Gloucester Healthcare Partnership Limited	PPP Investment company	50.00%
Mercia Healthcare (Holdings) Limited	Holding company	75.00%
Mercia Healthcare Limited	PPP Investment company	75.00%
Newcastle Estate Partnership Holdings Limited	Holding company	100.00%
The Newcastle Estate Partnership Limited	PPP Investment company	100.00%
Octagon Healthcare Group Limited	Holding company	50.00%
Octagon Healthcare Funding PLC	Holding company	50.00%
Octagon Healthcare Holdings (Norwich) Limited	Holding company	50.00%
Octagon Healthcare Limited	PPP Investment company	50.00%
Priorgate Holdings Limited	Holding company	100.00%
Priorgate Limited	PPP Investment company	100.00%
RICLAB Limited	PPP Investment company	100.00%
Semperian (Glasgow) Limited	Holding company	100.00%
Parking Glasgow Limited	PPP Investment company	100.00%
Semperian (St. David's) Limited	Holding company	100.00%
IMC St. David's Ltd	PPP Investment company	66.67%
Semperian (Wolverhampton) Limited	Holding company	100.00%
Wolverhampton Radiology Limited	PPP Investment company	100.00%
Semperian Health Services Limited	Holding company	100.00%
Semperian Health Projects Limited	Holding company	100.00%
Albion Healthcare (Doncaster) Holdings Limited	Holding company	50.00%
Albion Healthcare (Doncaster) Limited	PPP Investment company	50.00%

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

20 Subsidiary and related undertakings (continued)

Indirect investment undertakings	Activities	Percentage of ordinary shares held
Danetre PFI Holding Company Limited	Holding company	100.00%
Danetre PFI Project Company Limited	PPP Investment company	100.00%
Walkergate PFI Holding Company Limited	Holding company	100.00%
Walkergate PFI Project Company Limited	PPP Investment company	100.00%
Semperian Holdco Limited	Holding company	100.00%
Semperian Borrowerco Limited	Holding company	100.00%
Semperian No. 21 Limited	Holding company	100.00%
Semperian PPP Holdings Limited	Holding company	100.00%
InspirED Education (East Dunbartonshire) Holdings Limited	Holding company	50.00%
InspirED Education (East Dunbartonshire) Limited	PPP Investment company	50.00%
InspirED Education (South Lanarkshire) Holdings Limited	Holding company	42.50%
InspirED Education (South Lanarkshire) PLC	PPP Investment company	42.50%
UCLH Investors Limited	PPP Investment company	20.00%
Health Management (UCLH) Holdings Limited	Holding company	40.00%
Health Management (UCLH) Limited	PPP Investment company	40.00%
Wastewater Management Holdings Limited	Holding company	25.00%
Ayr Environmental Services Limited	Holding company	25.00%
Semperian Omega IP Holdings Limited	Dormant company	100.00%
Semperian Omega IP Limited	PPP Investment company	100.00%
Semperian PPP Newco 2 Limited	Holding company	100.00%
Eccles Special High Schools Holding Company Limited	Dormant company	100.00%
Investors in Health Limited	Dormant company	100.00%
Investors in the Community Group Limited	Dormant company	100.00%
Kirklees Schools Investment Company Limited	Dormant company	100.00%
Lancaster Assets Holdings Limited	Dormant company	100.00%
Liverpool Schools Investment Company Limited	Dormant company	100.00%
Semperian (Lancaster) Investments Limited	Dormant company	100.00%
Semperian (Lancaster) NewCo 20 Limited	Dormant company	100.00%
Semperian (Lancaster) Subdebt Limited	Dormant company	100.00%
Semperian Education Limited	Dormant company	100.00%
Semperian Health Limited	Dormant company	100.00%
Semperian Lighting Limited	Dormant company	100.00%

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

20 Subsidiary and related undertakings (continued)

Indirect investment undertakings	Activities	Percentage of ordinary shares held
Semperian Newcastle Estates Limited	Dormant company	100.00%
Semperian Partnerships Limited	Dormant company	100.00%
Semperian PPP Investment Partners GP Limited	Dormant company	100.00%
Semperian PPP Newco 1 Limited	Dormant company	100.00%
Semperian PPP Newco 3 Limited	Dormant company	100.00%
Semperian Roads Limited	Dormant company	100.00%
Semperian Waste Limited	Dormant company	100.00%
Semperian Holdings 2 Limited	Dormant company	100.00%
Semperian IP GP Limited	Dormant company	100.00%
Semperian GP1 Limited	Dormant company	100.00%
Semperian GP2 Limited	Dormant company	100.00%
Semperian LP2 Limited	Dormant company	100.00%
Wirral Schools Investment Company Limited	Dormant company	100.00%
Semperian SMIF Omega Limited	Holding company	100.00%
Semperian Omega Limited	Holding company	100.00%
Semperian Subholdings M40 Limited	Holding company	100.00%
UK Highways M40 (Holdings) Limited	Holding company	50.00%
UK Highways M40 Limited	PPP Investment company	50.00%
South Manchester Healthcare (Holdings) Limited	Holding company	68.50%
South Manchester Healthcare Limited	PPP Investment company	68.50%
Stafford Education Facilities Holdings Limited	Holding company	100.00%
Stafford Education Facilities Limited	PPP Investment company	100.00%
STC (Milton Keynes) Holdings Limited	Holding company	100.00%
STC (Milton Keynes) Limited	PPP Investment company	100.00%
The Hospital Company (Dartford) Holdings 2005 Limited	Holding company	70.00%
The Hospital Company (Dartford) Holdings Limited	Holding company	70.00%
The Hospital Company (Dartford) Group Limited	Holding company	70.00%
The Hospital Company (Dartford) 2005 Limited	Holding company	70.00%
The Hospital Company (Dartford) Issuer PLC	Holding company	70.00%
The Hospital Company (Dartford) Limited	PPP Investment company	70.00%
The Hospital Company (Swindon & Marlborough) Group Limited	Holding company	100.00%
The Hospital Company (Swindon & Marlborough) Holdings Limited	Holding company	100.00%

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

20 Subsidiary and related undertakings (continued)

Indirect investment undertakings	Activities	Percentage of ordinary shares held
The Hospital Company (Swindon & Marlborough) 2006 Limited	Holding company	100.00%
The Hospital Company (Swindon & Marlborough) Limited	PPP Investment company	100.00%
Town Hospitals (North Staffordshire) Holdings Limited	Holding company	100.00%
Town Hospitals (North Staffordshire Combined) Limited	PPP Investment company	100.00%
Town Hospitals (Southern General) Holdings Limited	Holding company	100.00%
Town Hospitals (Southern General) Limited	PPP Investment company	100.00%
United Healthcare (Bromley) Group Limited	Holding company	50.00%
United Healthcare (Bromley) Holdings Limited	Holding company	50.00%
United Healthcare (Bromley) Limited	PPP Investment company	50.00%
United Healthcare (Bromley) Services Limited	Holding company	50.00%
Arteos GP Limited & Co. KG (i)	PPP Investment company	100.00%
Consort Healthcare (Fife) Holdings Limited	Holding company	100.00%
Consort Healthcare (Fife) Limited	PPP Investment company	100.00%
Consort Healthcare (Fife) Intermediate Limited	Holding company	100.00%
Omega Limited	Holding company	100.00%
Omega Limited Partnership	Holding company	100.00%
Portfolio Solutions (Northern Ireland) Limited	Holding company	100.00%
Glen Water Holdings Limited	Holding company	50.00%
Glen Water Limited	PPP Investment company	50.00%
Holyrood Holdings Limited	Holding company	80.00%
Holyrood Student Accommodation Holdings Limited	Holding company	80.00%
Holyrood Student Accommodation Intermediate Limited	Holding company	80.00%
Holyrood Student Accommodation SPV Limited	PPP Investment company	80.00%
Holyrood Student Accommodation Plc	Holding company	80.00%
Aberdeen Roads Holdings Limited	Holding company	33.33%
Aberdeen Roads Limited	PPP Investment company	33.33%
Aberdeen Roads (Finance) Plc	Holding company	33.33%

(i) Arteos GP Limited & Co. KG is incorporated in Germany

The registered office for the companies shown above is: Third Floor, Broad Quay House, Prince Street, Bristol, BS1 4DJ.

The exceptions to the registered office stated above are as following:

- Dundalk PPP Infrastructure Ireland Limited - 6th Floor, 2 Grand Canal Square, Dublin 2, Ireland

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

20 Subsidiary and related undertakings (continued)

- 3 ED Holdings Limited & 3 ED Holdings 2 Limited - 1 Atlantic Quay, 1 Robertson Street, Glasgow, Scotland, G2 8JB
- Endeavour SCH Holdings Limited & Endeavour SCH PLC - 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG
- ESP (Holdings) Limited & The Edinburgh Schools Partnership Limited - c/o IML, 2nd Floor, 11 Thistle Street, Edinburgh, Scotland, EH2 1DF
- Accommodation Services (Holdings) Limited, Integrated Accommodation Services plc, East London Lift Investments Limited, Infracare East London Limited (formerly East London Lift Company Limited), East London Lift Accommodation Services Limited, East London Lift Holdco No2 Limited, East London Lift Accommodation Services No2 Limited, East London Lift Holdco No3 Limited, Ellas No3 Limited, East London Lift Holdco No4 Limited & Ellas No4 Limited - Challenge House, International Drive, Tewkesbury Business Park, Tewkesbury, Gloucestershire, GL20 8UQ
- Healthcare Providers (Gloucester) Limited & Gloucester Healthcare Partnership Limited - Part First Floor, 1 Grenfell Road, Maidenhead, Berkshire, SL6 1HN
- Wastewater Management Holdings Limited & Ayr Environmental Services Limited - Meadowhead Wastewater Treatment, Works & Sludge Treatment Centre, Meadowhead Road, Irvine, Ayrshire, KA11 5AY
- UK Highways M40 (Holdings) Limited & UK Highways M40 Limited - 1 Kingsway, London, WC2B 6AN
- Consort Healthcare (Fife) Holdings Limited, Consort Healthcare (Fife) Limited & Consort Healthcare (Fife) Intermediate Limited - Summit House, 4-5 Mitchell Street, Edinburgh, Scotland, EH6 7BD
- Omega Limited - 18 Athol Street, Douglas, Isle of Man, IM1 1JA
- Glen Water Holdings Limited & Omega Limited Partnership - Bridge Place, Anchor Boulevard, Admirals Park, Crossways, Dartford, Kent, DA2 6SN
- Glen Water Limited - 210 Pentonville Road, London, N1 9JY
- Holyrood Holdings Limited, Holyrood Student Accommodation Holdings Limited, Holyrood Student Accommodation Intermediate Limited, Holyrood Student Accommodation SPV Limited & Holyrood Student Accommodation Plc, Aberdeen Roads Holdings Limited, Aberdeen Roads Limited & Aberdeen Roads (Finance) Plc - Maxim 7, Maxim Office Park, Parklands Avenue, Eurocentral, Holytown, Scotland, ML1 4WQ
- Semperian (Community Health) Limited, Semperian (Community Health) Grosvenor Limited, Semperian Leicester BSF Limited, Semperian Leicester PSP Limited, Semperian (Glasgow) Limited, Semperian (St. David's) Limited, Semperian (Wolverhampton) Limited, Semperian Health Services Limited, Semperian Health Projects Limited, Semperian Holdco Limited, Semperian Borrowerco Limited, Semperian No. 21 Limited, Semperian PPP Holdings Limited, Semperian Omega IP Holdings Limited, Semperian Omega IP Limited, Semperian PPP Newco 2 Limited, Semperian (Lancaster) Investments Limited, Semperian (Lancaster) NewCo 20 Limited, Semperian (Lancaster) Subdebt Limited, Semperian Education Limited, Semperian Health Limited, Semperian Lighting Limited, Semperian Newcastle Estates Limited, Semperian Partnerships Limited, Semperian PPP Investment Partners GP Limited, Semperian PPP Newco 1 Limited, Semperian PPP Newco 3 Limited, Semperian Roads Limited, Semperian Waste Limited, Semperian-G4S Holdings Limited, Semperian-G4S GP1 Limited, Semperian-G4S GP2 Limited, Semperian-G4S LP2 Limited, Semperian SMIF Omega Limited, Semperian Omega Limited, Semperian Subholdings M40 Limited, Semperian PPP Investment Partners No.2 Limited & Semperian PPP Investment Partners No.3 Limited - 4th Floor, 1 Gresham Street, London, EC2V 7BX