

Registration number: 6335776

Semperian PPP Investment Partners Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2022

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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 Temple Quay Bristol BS2 0FR

Semperian PPP Investment Partners Limited
Strategic Report for the Year Ended 31 March 2022

The directors present their strategic report for the year ended 31 March 2022.

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 10. 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 16/9/22 and signed on its behalf by:



J M Simpson
Director

Semperian PPP Investment Partners Limited

Directors' Report for the Year Ended 31 March 2022

Registration number: 6335776

The directors present their report and the audited financial statements for the year ended 31 March 2022.

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 (2021: £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.

As described in note 2, the company has negotiated consistent terms, rates and transition dates, with the respective counterparties. The transition to SONIA plus CAS completed on 17 March 2022 for both the LIBOR linked debt and swaps. As the hedge effectiveness has been maintained, there is no change to the entity's overall risk management strategy as a result of the benchmark rate replacement.

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 resulted in measures being taken to contain the virus and has resulted in the temporary closure 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, however revenues within the company's investments and subsidiaries are largely unchanged.

There is expected to be no significant overall impact on performance over the life of the investments. 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.

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

Semperian PPP Investment Partners Limited

Directors' Report for the Year Ended 31 March 2022 (continued)

Statement of Directors' Responsibilities

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

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

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Directors' confirmations

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

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

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 2022 (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 on 16/9/22 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 2022 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 2022; 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

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

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

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

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

Reporting on other information

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

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 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 2022 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.

Semperian PPP Investment Partners Limited

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK corporation 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 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 management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and internal audit to enquire of any known instances of non-compliance with Laws and Regulations and Fraud
- Reading board minutes for evidence of breaches of regulations and reading relevant correspondence
- Challenging assumptions and judgements made by management in their significant accounting estimates
- Identifying and testing journal entries, in particular journal entries posted with unexpected account combinations
- Incorporating unpredictability into the nature, timing and/or extent of our testing

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the 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)

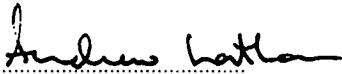
Other required reporting

Companies Act 2006 exception reporting

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

- we have not 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.



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

Date: 16th September 2022

Semperian PPP Investment Partners Limited

Profit and Loss Account for the Year Ended 31 March 2022

	Note	2022 £ 000	2021 £ 000
Turnover	4	9,301	10,757
Administrative expenses		<u>(8,596)</u>	<u>(24,146)</u>
Operating profit/(loss)	5	705	(13,389)
Net gain on derivative financial instruments	18	3,555	154
Interest receivable and similar income	6	60,320	63,585
Interest payable and similar charges	7	<u>(84,134)</u>	<u>(84,694)</u>
Loss before taxation		(19,554)	(34,344)
Tax on loss	8	<u>3,979</u>	<u>3,880</u>
Loss for the financial year		<u><u>(15,575)</u></u>	<u><u>(30,464)</u></u>

The above results were derived from continuing operations.

Statement of Comprehensive Income for the Year Ended 31 March 2022

	Note	2022 £ 000	2021 £ 000
Loss for the financial year		<u>(15,575)</u>	<u>(30,464)</u>
Other comprehensive income:			
Change in value of hedging instrument	18	34,571	14,894
Reclassifications to profit and loss	18	23,114	23,518
Deferred tax arising on unrealised movements on cash flow hedges	8	<u>(4,768)</u>	<u>(7,298)</u>
Other comprehensive income for the year, net of tax		<u>52,917</u>	<u>31,114</u>
Total comprehensive income for the year		<u><u>37,342</u></u>	<u><u>650</u></u>

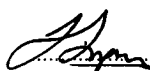
The notes on pages 13 to 36 form an integral part of these financial statements.

Semperian PPP Investment Partners Limited

Balance Sheet as at 31 March 2022

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Investments	9	1,051,127	1,094,557
Current assets			
Debtors: Amounts falling due after more than one year	10	28,172	33,641
Debtors: Amounts falling due within one year	12	66,428	62,771
Cash at bank and in hand		<u>65,972</u>	<u>51,229</u>
		160,572	147,641
Creditors: Amounts falling due within one year	13	<u>(113,201)</u>	<u>(63,831)</u>
Net current assets		<u>47,371</u>	<u>83,810</u>
Total assets less current liabilities		1,098,498	1,178,367
Creditors: Amounts falling due after more than one year	13	<u>(1,413,716)</u>	<u>(1,530,927)</u>
Net liabilities		<u>(315,218)</u>	<u>(352,560)</u>
Capital and reserves			
Called up share capital	15	-	-
Cash flow hedge reserve		(77,400)	(130,317)
Profit and loss account		<u>(237,818)</u>	<u>(222,243)</u>
Total equity		<u>(315,218)</u>	<u>(352,560)</u>

The financial statements on pages 10 to 36 were approved by the Board of Directors on 16/9/22 and signed on its behalf by:



J M Simpson

Director

The notes on pages 13 to 36 form an integral part of these financial statements.

Semperian PPP Investment Partners Limited

Statement of Changes in Equity for the Year Ended 31 March 2022

	Called up Share capital £ 000	Cash flow hedge reserve £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 April 2020	-	(161,431)	(191,779)	(353,210)
Loss for the financial year	-	-	(30,464)	(30,464)
Other comprehensive income	-	31,114	-	31,114
Total comprehensive income	-	31,114	(30,464)	650
At 31 March 2021	-	(130,317)	(222,243)	(352,560)

	Called up Share capital £ 000	Cash flow hedge reserve £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 April 2021	-	(130,317)	(222,243)	(352,560)
Loss for the financial year	-	-	(15,575)	(15,575)
Other comprehensive income	-	52,917	-	52,917
Total comprehensive income	-	52,917	(15,575)	37,342
At 31 March 2022	-	(77,400)	(237,818)	(315,218)

The notes on pages 13 to 36 form an integral part of these financial statements.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

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 the United Kingdom.

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 2022 (continued)

2 Accounting policies (continued)

New accounting standards adopted during the period

Interest rate benchmark reform

SONIA (Sterling Overnight Index Average) has replaced GBP LIBOR, with effect from 1 January 2022.

GBP LIBOR is a 'term rate', which means that it is published for a borrowing period (such as 1-, 3-, and 6-months) and is 'forward looking', because it is published at the beginning of the borrowing period. SONIA is a 'backward-looking' rate, based on a compound rate from observed overnight rates.

Furthermore, GBP LIBOR includes a credit spread over the risk-free rate (RFR), which SONIA does not. To transition existing contracts and agreements that reference GBP LIBOR to SONIA, adjustments for term differences and credit differences a 'Credit Adjustment Spread' ('CAS') is applied to SONIA, to enable the two benchmark rates to be economically equivalent on transition. The CAS is agreed by the Lenders' Market Association ('LMA') and International Swaps and Derivative Association ('ISDA'). The CAS was published by Bloomberg, 5 March 2021, when the Financial Conduct Authority ('FCA') declared the cessation of GBP LIBOR, it is the 5-year historic median between GBP LIBOR and SONIA.

The FCA has confirmed it will allow the use of "Synthetic LIBOR" rates for all legacy contracts except cleared derivatives, to allow a wider time window for transitions to be completed. Synthetic LIBOR has however not been guaranteed beyond 31 December 2022. In addition, The Critical Benchmarks (References and Administrators' Liability) Act 2021 has been passed to amend the defined term of LIBOR to 'synthetic LIBOR', such that "LIBOR" references are by law "synthetic LIBOR".

The entity's LIBOR linked loans and swaps transitioned to SONIA on 17 March 2022. With the exception of one loan facility, the LIBOR linked loans have not been subject to the application of synthetic LIBOR. The LIBOR linked swaps have been subject to the application of synthetic LIBOR.

Further details of the company's application of synthetic LIBOR are disclosed in notes 14 and 18.

The entity has floating rate debt and related hedging instruments which were subject to LIBOR, as disclosed in notes 14 and 18. The risks arising from the transition relate principally to the potential impact of rate differences if the debt and related hedging instruments did not transition to the new benchmark interest rate simultaneously and/or the rates move by different amounts. This could result in hedge ineffectiveness. To avoid this, the company has negotiated consistent terms, rates and transition dates, with the respective counterparties. The transition to SONIA plus CAS completed on 17 March 2022 for both the LIBOR linked debt and swaps.

As the hedge effectiveness has been maintained, there is no change to the entity's overall risk management strategy as a result of the benchmark rate replacement.

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.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

2 Accounting policies (continued)

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.

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.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

2 Accounting policies (continued)

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 2022 (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 2022 (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.

Effect of LIBOR reform

In calculating the change in fair value attributable to the hedged risk of floating-rate debt, Semperian PPP Investment Partners Limited has made the following assumptions that reflect the contracts it has now entered:

- No other changes to the terms of the floating-rate debt have occurred.

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.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

3 Critical accounting judgements and estimation uncertainty (continued)

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.

4 Turnover

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

5 Operating profit/(loss)

The company had no employees during the year (2021: 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 (2021: £nil) to the company in respect of these services.

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

6 Interest receivable and similar income

	2022 £ 000	2021 £ 000
Interest receivable on loans to group undertakings	59,950	62,046
Interest income on bank deposits	-	45
Other finance income	370	1,494
	<u>60,320</u>	<u>63,585</u>

7 Interest payable and similar charges

	2022 £ 000	2021 £ 000
Interest on bank borrowings	16,962	17,370
Interest rate swap costs	24,942	25,304
Other finance costs	420	408
Interest payable on loans from group undertakings	41,810	41,612
	<u>84,134</u>	<u>84,694</u>

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

8 Tax on loss

(a) Tax credit included in profit or loss

	2022 £ 000	2021 £ 000
Current taxation		
UK corporation tax	(4,140)	(4,712)
UK corporation tax adjustment to prior periods	54	(2,237)
Total current taxation	<u>(4,086)</u>	<u>(6,949)</u>
Deferred taxation		
Arising from origination and reversal of timing differences	889	337
Arising from changes in tax rates and laws	(782)	-
Adjustment in respect of prior periods	-	2,732
Total deferred taxation	<u>107</u>	<u>3,069</u>
Tax on loss	<u>(3,979)</u>	<u>(3,880)</u>

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

	2022 £ 000	2021 £ 000
Deferred tax		
Arising from origination and reversal of timing differences	14,422	7,298
Arising from changes in tax rates and laws	(9,654)	-
Total tax expense included in other comprehensive income	<u>4,768</u>	<u>7,298</u>

(c) Reconciliation of tax credit

The tax on loss for the year is lower than the standard rate of corporation tax in the UK (2021: higher than the standard rate of corporation tax in the UK) of 19% (2021: 19%).

The differences are reconciled below:

	2022 £ 000	2021 £ 000
Loss before taxation	<u>(19,554)</u>	<u>(34,344)</u>
Corporation tax at standard rate	(3,715)	(6,525)
Unrecognised deferred tax	-	(1,925)
Expenses not deductible for tax purposes	-	3,114
Adjustments to tax charge in respect of prior years	54	495
Re-measurement of deferred tax - change in UK tax rates	(569)	-
Tax increase (decrease) arising from group relief	251	961
Total tax credit	<u>(3,979)</u>	<u>(3,880)</u>

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

8 Tax on loss (continued)

(d) Tax rate changes

On the 3 March 2021 the UK Government announced that from 1 April 2023 the corporation tax rate will increase to 25% from 19%. This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

9 Investments

	Equity Investments	Subordinated Loan Notes	Total
Cost and net book value:	£ 000	£ 000	£ 000
At 1 April 2021	22,860	1,071,697	1,094,557
Repayments	-	(43,051)	(43,051)
Impairments	-	-	-
Amortisation	-	(379)	(379)
At 31 March 2022	22,860	1,028,267	1,051,127

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

10 Debtors: Amounts falling due after more than one year

	Note	2022 £ 000	2021 £ 000
Group relief receivable		-	594
Deferred tax assets	11	28,172	33,047
		<u>28,172</u>	<u>33,641</u>

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

11 Deferred tax asset

	Deferred tax £ 000
At 1 April 2021	33,047
Deductions dealt with in profit or loss	(107)
Deductions dealt with in other comprehensive income	(4,768)
At 31 March 2022	<u>28,172</u>

The deferred tax asset consists of the following assets:

	2022 £ 000	2021 £ 000
Other timing differences	384	292
Fair value of financial instruments	<u>27,788</u>	<u>32,755</u>
	<u>28,172</u>	<u>33,047</u>

12 Debtors: Amounts falling due within one year

	2022 £ 000	2021 £ 000
Amounts owed by group undertakings	59,104	54,645
Group relief receivable	<u>7,324</u>	<u>8,126</u>
	<u>66,428</u>	<u>62,771</u>

13 Creditors

	Note	2022 £ 000	2021 £ 000
Amounts falling due within one year			
Senior debt	14	60,408	22,063
Trade creditors		104	102
Amounts owed to group undertakings		35,357	23,048
Other creditors including taxation and social security		463	361
Accruals and deferred income		5,661	6,346
Group relief		<u>11,208</u>	<u>11,911</u>
		<u>113,201</u>	<u>63,831</u>
Amounts falling due after more than one year			
Senior debt	14	713,134	746,596
Subordinated debt	14	589,432	611,939
Derivative financial instruments	18	<u>111,150</u>	<u>172,392</u>
		<u>1,413,716</u>	<u>1,530,927</u>

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

13 Creditors (continued)

Shareholder loans

The total shareholder loans of £5,666,477 (2021: £2,134,938) 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 with an interest rate of 0.164%. The balance at the end of the year was £554,938 (2021: £554,938) and the loan was due for repayment on 31 March 2022. At 31 March 2022 the loan was redrawn for a period of 12 months to 31 March 2023.

On 16 October 2019, the company entered into a £1,580,000 shareholder loan agreement facility with Leicester BSF Company 2 Limited with an interest rate of 0.375%. On 30 September 2021, the company increased this shareholder loan agreement facility with Leicester BSF Company 2 Limited to £2,769,718. The balance at the end of the year was £2,769,718 (2021: £1,580,000) and the loan is due for repayment on 30 September 2022.

On 31 March 2022, the company entered into a £101,972 shareholder loan agreement facility with Leicester BSF Company 2 Limited with an interest rate of 1.613%. The balance at the end of the year was £101,972 (2021: £nil) and the loan is due for repayment on 31 March 2023.

On 30 September 2021, the company entered into a £263,918 shareholder loan agreement facility with Leicester BSF Company 1 Limited with an interest rate of 0.375%. The balance at the end of the year was £164,500 (2021: £nil) and the loan is due for repayment on 30 September 2022.

On 30 November 2021, the company entered into a £2,075,349 shareholder loan agreement facility with Baglan Moor Healthcare plc with an interest rate of 0.620%. The balance at the end of the year was £2,075,349 (2021: £nil) and the loan is due for repayment on 30 November 2022.

14 Loans and borrowings

	2022 £ 000	2021 £ 000
Loans and borrowings falling due within one year		
Senior debt	60,408	22,063
	<u>60,408</u>	<u>22,063</u>
	2022 £ 000	2021 £ 000
Loans and borrowings falling due between one and five years		
Senior debt	164,283	173,431
	<u>164,283</u>	<u>173,431</u>

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

14 Loans and borrowings (continued)

	2022 £ 000	2021 £ 000
Loans and borrowings falling due after more than five years		
Senior debt	548,851	573,165
Subordinated debt	589,432	611,939
	<u>1,138,283</u>	<u>1,185,104</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 2022 £ 000	Balance at 31 March 2021 £ 000
9 Nov 07	£510,304,151	31 Mar 35	SONIA plus a margin of 1.1% plus CAS	331,729	342,157
30 Apr 15	€73,056,025	31 Mar 35	EURIBOR plus a margin of 2%	55,556	57,877
30 Apr 15	£50,000,000	31 Mar 35	SONIA plus a margin of 2% plus CAS	45,000	46,500
30 Apr 15	£50,000,000	31 Mar 35	4.088%	45,000	46,500
28 Aug 15	£50,000,000	31 Mar 35	SONIA plus a margin of 1.1% plus CAS	44,896	46,393
14 Sep 18	£62,500,000	31 Mar 35	3.466%	58,125	60,000
8 Nov 19	£75,000,000	8 May 22	SONIA plus a margin of 1.9% plus CAS	29,250	26,750
25 Oct 19	€15,000,000	31 Mar 37	2.194%	12,167	12,778
8 Nov 19	£85,000,000	31 Mar 37	3.150%	82,500	85,000
31 Jan 20	£50,000,000	31 Mar 37	3.160%	49,000	50,000
13 Apr 21	£25,000,000	31 Mar 39	3.350%	25,000	-

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

£27,500,000 of the balance relating to the £75,000,000 facility was drawn on 12 January 2022. It was therefore subject to synthetic LIBOR plus a margin until 31 March 2022, at which point the rate transferred to SONIA plus CAS and a margin.

All other SONIA linked senior debt was subject to LIBOR plus a margin until 31 March 2022, at which point the rate transferred to SONIA plus CAS and a margin.

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (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 £474,978,702 on 19 June 2020. On 31 March 2010, Semperian PPP Investment Partners Holdings Limited assigned this loan investment to Semperian PPP Investment Partners Group Limited. On 30 September 2014, the interest rate increased from 7.25% to 8.80%. At 31 March 2022, the balance of this facility outstanding was £474,978,702 (2021: £474,978,702).

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. At 31 March 2022, the balance of this facility outstanding was £114,453,434 (2021: £136,960,379), after repayments of £22,506,945 (2021: £30,496,451) were made during the year.

15 Called up share capital

Allotted, called up and fully paid shares

	2022		2021	
	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 2022 the company had commitments to the value of £6.6m (2021: £6.6m).

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 £0.6m (2021: £0.6m) 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 (2021: £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 2022 (continued)

18 Financial instruments

Fair value of derivatives used for hedging in the Balance Sheet

	Note	2022 £ 000	2021 £ 000
Creditors: Amounts falling due after more than one year - Fair value of swaps	13	(111,150)	(172,392)
Net Fair value of swaps in the Balance Sheet		<u>(111,150)</u>	<u>(172,392)</u>

Movement in Fair value of derivatives used for hedging

	2022 £ 000	2021 £ 000
Recognised through the Profit and Loss Account	3,555	154
Recognised through Other Comprehensive Income	<u>57,685</u>	<u>38,412</u>
	<u>61,240</u>	<u>38,566</u>

The company has entered into eight sterling interest rate swaps to receive interest at LIBOR and pay interest at a rate of between 4.620% and 5.363%. The swaps are based on a total original principal amount of £507,000,000, 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 sterling exposure to interest rate movements on the Senior loan facility. The fair value of the interest rate swaps are (£97,903,179) (2021: (£151,550,856)).

The interest rate swaps were subject to LIBOR until 4 January 2022. They will be subject to synthetic LIBOR from 4 January 2022 until 1 April 2022 when the swaps transfer to SONIA plus CAS.

The company has entered into a euro interest rate swap to receive interest at EURIBOR and pay interest at a rate of 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 euro exposure to interest rate movements on the Senior loan facility. The fair value of the interest rate swap is (£13,247,210) (2021: (£20,840,776)).

Cash flows on both euro and sterling loans and interest rate swaps are paid quarterly until 2035. During the year, a hedging gain of £(34,571,599) (2021: gain of £(14,893,636)) was recognised in other comprehensive income for changes in the fair value of the interest rate swap and £23,113,618 (2021: £23,518,466) 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 2022 (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 2022 (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%
Liskard 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 2022 (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 2022 (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 2022 (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 2022 (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 2022 (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 2022 (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%
Capitec Limited	Holding company	100.00%
Strategy 21 Limited	Holding company	100.00%
Celtic Roads Group (Dundalk) Limited	PPP Investment company	33.33%
Northlink M1 Limited	PPP Investment company	27.00%

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

Semperian PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

20 Subsidiary and related undertakings (continued)

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
- Celtic Roads Group (Dundalk) Limited - M1 Toll Plaza, Balgeen, Drogheda Co. Meath, Co. Meath., Meath, Ireland
- Northlink M1 Limited - Unit 4044 Kingswood Avenue, Citywest Business Campus, Dublin, D24 T6YE, Ireland
- 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 PPP Investment Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

20 Subsidiary and related undertakings (continued)

- 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