

OMERS INFRASTRUCTURE EUROPE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
PAGES FOR FILING WITH REGISTRAR



OMERS INFRASTRUCTURE EUROPE LIMITED

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OMERS INFRASTRUCTURE EUROPE LIMITED

STATEMENT OF FINANCIAL POSITION

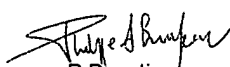
AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Non-current assets					
Leasehold improvements & equipment	4		1,038,670		1,279,847
Current assets					
Trade and other receivables	5	1,690,815		19,111,724	
Cash and cash equivalents		1,167,269		1,703,979	
		<u>2,858,084</u>		<u>20,815,703</u>	
Current liabilities	6	<u>(1,725,109)</u>		<u>(19,015,568)</u>	
Net current assets			<u>1,132,975</u>		<u>1,800,135</u>
Total assets less current liabilities			<u>2,171,645</u>		<u>3,079,982</u>
Provisions for liabilities			<u>(10,948)</u>		<u>(23,230)</u>
Net assets			<u>2,160,697</u>		<u>3,056,752</u>
Equity					
Called up share capital			50,000		50,000
Retained earnings			<u>2,110,697</u>		<u>3,006,752</u>
Total equity			<u>2,160,697</u>		<u>3,056,752</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 26 May 2021 and are signed on its behalf by:


A Hall
Director


P Busslinger
Director

Company Registration No. 07560225

OMERS INFRASTRUCTURE EUROPE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital £	Retained earnings £	Total £
Balance at 1 January 2019	50,000	2,378,799	2,428,799
Year ended 31 December 2019:			
Profit and total comprehensive income for the year	-	627,953	627,953
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019	50,000	3,006,752	3,056,752
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	603,945	603,945
Dividends paid during the year	-	(1,500,000)	(1,500,000)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	50,000	2,110,697	2,160,697
	<hr/>	<hr/>	<hr/>

OMERS INFRASTRUCTURE EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

OMERS Infrastructure Europe Limited is a private company limited by shares incorporated in England and Wales. The registered office is 29th Floor, The Leadenhall Building, 122 Leadenhall Street, London EC3V 4AB, EC3V 4AB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Revenue

Revenue is recognised to the extent that the Company obtains the right to consideration for the reimbursement of administration expenditure with respect to its operations from its parent undertakings. Revenue is measured at the fair value of the consideration received excluding VAT.

1.3 Leasehold improvements and equipment

Leasehold improvements and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the term of the lease to 31 August 2025 10% straight line
Equipment and furniture	20% straight line
Computer equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to profit or loss.

1.4 Impairment of non-current assets

At each reporting period end date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

OMERS INFRASTRUCTURE EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducing all of its liabilities.

OMERS INFRASTRUCTURE EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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.

1.7 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or when the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

OMERS INFRASTRUCTURE EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the Company during the year was:

	2020 Number	2019 Number
Total	37	38

3 Directors' remuneration

	2020 £	2019 £
Remuneration paid to directors	5,103,832	4,741,511
Defined benefit contributions	44,823	23,833

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2019 - 1).

OMERS INFRASTRUCTURE EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Leasehold improvements and equipment

	Leasehold improvements £	Equipment and furniture £	Computer Equipment £	Total £
Cost				
At 1 January 2020	2,268,394	183,850	228,537	2,680,781
Additions for the year	-	-	14,578	14,578
31 December 2020	2,268,394	183,850	243,115	2,695,359
Depreciation and impairment				
At 1 January 2020	1,022,246	157,762	220,926	1,400,934
Depreciation charged in the year	219,909	24,186	11,660	255,755
At 31 December 2020	1,242,155	181,948	232,586	1,656,689
Carrying amount				
At 31 December 2020	1,026,239	1,902	10,529	1,038,670
At 31 December 2019	1,246,148	26,088	7,611	1,279,847

5 Trade and other receivables

	2020 £	2019 £
Amounts falling due within one year:		
Trade receivables	567,382	206,625
Amounts owed by group undertakings	293,801	18,590,311
Other receivables	829,632	314,788
	1,690,815	19,111,724

Effective January 1, 2019, the Company entered into management services agreements with various entities wholly owned by OMERS. Management fees are charged to these companies based on the value of the investments managed by the Company.

6 Current liabilities

	2020 £	2019 £
Amounts falling due within one year:		
Trade payables	115,299	51,290
Amounts owed to group undertakings	130,441	15,461,953
Corporation tax	192,648	198,543
Other taxation and social security	244,055	269,897
Other payables	1,042,666	3,033,885
	1,725,109	19,015,568

OMERS INFRASTRUCTURE EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The statutory auditor was Andrew Moore.
The auditor was SRG LLP.

8 Financial commitments, guarantees and contingent liabilities

At 31 December 2020 there was a contingent liability of £20,612,598 (2019: £14,058,159). This amount relates to the Company incentive plan which is available to directors and employees of the Company. The amount is only payable when pre-defined conditions are met.

9 COVID 19 update

Though the OMERS Infrastructure portfolio is well diversified across sectors and geographies, and is largely concentrated on essential public services, the unforeseen global pandemic has adversely affected our performance for the year primarily due to assets held in sectors that have been significantly impacted from travel restrictions and stay at home directives.

As a management company, OMERS Infrastructure Europe Limited provides services that are advisory in nature and focus on identifying and managing direct ownership interests in European infrastructure investments. The Company's net profit is correlated to the performance of the Infrastructure portfolio since its revenues are in part derived from the value of the underlying investments held. Though we have started to see improved returns across several assets in the portfolio, our outlook for 2021 remains cautious.

The overall impact on the 2021 returns will ultimately depend on the duration and magnitude of the economic slowdown, however, it is currently too early to determine what the impact will be.

10 Related party transactions

There are no related party transactions outside of the normal course of business to be disclosed under FRS 102 1A.

11 Ultimate parent company

The Company is a wholly owned subsidiary of OMERS Infrastructure Management Inc., a company incorporated in Canada.

OMERS Administration Corporation ("OAC") is OMERS Infrastructure Europe Limited's ultimate parent (as defined in the Financial Reporting Standard). OAC is a company incorporated in Canada under the Ontario Municipal Employees Retirement Act 2006 and has its registered office situated at 100 Adelaide Street West, Toronto, Ontario M5H 0E2. Consolidated accounts are publicly available.