

Registered in England and Wales: No. 07739651

AVIVA INVESTORS INFRASTRUCTURE GP  
LIMITED  
ANNUAL REPORT AND FINANCIAL  
STATEMENTS  
31 DECEMBER 2020

2020/21



# **AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

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## **AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

### **DIRECTORS, OFFICERS AND OTHER INFORMATION**

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**Directors**

M A Wells  
J M Stevens  
E V Dixon

**Company Secretary**

Aviva Company Secretarial Services Limited  
St Helen's  
1 Undershaft  
London  
EC3P 3DQ

**Registered office**

St Helen's  
1 Undershaft  
London  
EC3P 3DQ

**Company Number**

Registered in England and Wales: No. 07739651

**Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
7 More London Riverside  
London  
SE1 2RT

**Other Information**

Aviva Investors Infrastructure GP Limited (the 'Company') is a wholly owned subsidiary of Aviva Investors Real Estate Limited and is a member of the Aviva plc group of companies (the 'Aviva Group')

## **AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Directors present their annual report and audited financial statements for the year ended 31 December 2020.

#### **Directors**

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:

E V Dixon  
G P Mills (resigned 15 December 2020)  
J M Stevens  
M A Wells (appointed 24 December 2020)

#### **Principal Activities**

The principal activity of the Company is to act as the General Partner of Aviva Investors Infrastructure Income Limited Partnership (the 'Partnership') which is engaged in the business of property and infrastructure investment. The Company does not hold any capital investment in the Partnership but is entitled to a priority distribution of 0.01% of the Net Income available for distribution from the Partnership.

The Directors have reviewed the activities of the Company for the year and the position as at 31 December 2020 and consider them to be satisfactory.

#### **Results**

The loss for the financial year amounted to £14,873 (2019: loss £15,042).

#### **Future developments**

The Directors expect the level of activity to be maintained in the foreseeable future.

#### **Going concern**

At the balance sheet date the company had net liability and net current liability of £92,460 (2019: net liability £77,587). This is driven by £79,215 (2019: £65,477) owed to the Partnership, £10,795 (2019: £10,795) owed to Aviva Investors Infrastructure Income No.1 (Holdco) Limited and £4,388 of accruals for audit and tax advisory fees (2019: £2,909).

The directors have received confirmation that the Partnership intends to support the company to enable it to meet its obligations as they fall due and it will not seek repayment of part or all of any intercompany debt, where to do so would place this company in an insolvent position. In addition, a letter of support has been provided by the Partnership. Therefore, the directors have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future and for this reason they have continued to adopt the going concern basis in preparing the financial statements.

#### **Events after the reporting financial year**

Events after the reporting financial year have been evaluated up to the date the audited financial statements were approved and authorised for issue by the Directors and there are no material events to be disclosed or adjusted for in these audited financial statements.

#### **Employees**

The Company has no employees (2019: Nil).

## **AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Disclosure of information to the Independent Auditors**

Each person who was a Director of the Company on the date that this report was approved, confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

#### **Independent Auditors**

It is the intention of the Directors to reappoint the auditors, PricewaterhouseCoopers LLP, under the deemed appointment rules of Section 487 of the Companies Act 2006.

#### **Qualifying indemnity provisions**

The Directors have the benefit of an indemnity provision contained in the Company's Articles of Association, subject to the conditions set out in the Companies Act 2006. This is a 'qualifying third party indemnity' provision as defined in Section 234 of the Companies Act 2006.

Aviva plc, the Company's ultimate parent, granted in 2004 an indemnity to the Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985 (which continue to apply in relation to any provision made before 1 October 2007). This indemnity is a 'qualifying third party indemnity' for the purposes of Sections 309A to 309C of the Companies Act 1985. These qualifying third party indemnity provisions remain in force as at the date of approving the Directors' Report by virtue of paragraph 15, Schedule 3 of The Companies Act 2006 (Commencement No. 3, Consequential Amendments Transitional Provisions and Savings) Order 2007.

## **AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Risks and capital management policies**

##### **(a) Approach to risk and capital management**

The Company operates within the governance structure and priority framework of the Aviva Group. The Aviva Group operates within its own governance structure and priority framework. It also has its own established governance framework with clear terms of reference for the Board and the Aviva Executive Committee and a clear organisation structure, with documented delegated authorities and responsibilities (largely through role profiles). The Aviva Group has an Audit Committee, which includes shareholder representatives.

The key risks arising in the Company are market, operational and liquidity risks which are discussed in more detail below.

##### **(b) Management of financial and non-financial risks**

The Company's exposure to different types of risk is limited by the nature of its business as follows:

##### **COVID-19**

On January 30, 2020, the World Health Organisation ('WHO') declared the coronavirus (COVID-19) a public health emergency, shortly followed by declaring a Global Pandemic on 11 March 2020. This had an unprecedented impact on economies and real estate markets globally. The UK Government response to this being to initiate various emergency measures to protect occupiers and support businesses, such as the introduction of a furlough scheme and the government moratorium. In addition, the UK Government imposed various lockdowns throughout the year with the introduction of social distancing requirements and a ban on foreign travel, all of which added further stresses and demands to the economy.

Post entering into the third lockdown in late December 2020 the Government has put in place a roadmap to ease restrictions which included the roll out of the vaccination plan.

Whilst it is still not possible to fully assess the longer-term impact on specific industries or their constituents at this stage, the General Partner believe the entity has a strong balance sheet and the right strategy in place to mitigate against the worst consequences of the outbreak. The General Partner will continue to monitor the COVID-19 situation closely and act accordingly to protect the interests of investors.

##### **Market risk**

The Company's principle exposure to market risk takes the form of property values, which have a direct impact on the value of the Company's investments. The management of this risk falls within the mandate of Aviva Investors Global Services Limited, which manages the investments on behalf of the Partnership.

##### **Operational risk**

Operational risk arises as a result of inadequate or failed internal processes, people or systems, or from external events. Details of the Aviva Group's approach to operational risk are set out in the Aviva Group's Risk Management Framework ('RMF') the RMF and in the financial statements of Aviva Investors UK Fund Services Limited, which manages and administers the Company's activities.

##### **Liquidity risk**

Liquidity risk is managed by ensuring that there is always sufficient headroom available to meet the working capital requirements of the business. The ongoing costs of the Company are settled by the Partnership.

## AVIVA INVESTORS INFRASTRUCTURE GP LIMITED

Registered in England and Wales: No. 07739651

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Statement of Directors' responsibilities in respect of the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under Company Law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 audited financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption in section 415A of the Companies Act 2006. A strategic report has not been included in these audited financial statements as the Company qualifies for exemption as a small entity under Section 414B of the Companies Act 2006 relating to small entities.

The financial statements on pages 9 to 21 were approved by the Board of Directors on 23 June 2021 and signed on its behalf by:

DocuSigned by:  
*Mark Wells*  
D9215DB1E2EE476  
**M A Wells**  
Director

Date: 23 June 2021

# AVIVA INVESTORS INFRASTRUCTURE GP LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIVA INVESTORS INFRASTRUCTURE GP LIMITED FOR THE YEAR ENDED 31 DECEMBER 2020

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# Report on the audit of the financial statements

## Opinion

In our opinion, Aviva Investors Infrastructure GP Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

## Basis for opinion

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

## Independence

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

## Conclusions relating to going concern

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

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

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

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

## Reporting on other information

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

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

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

## **AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIVA INVESTORS INFRASTRUCTURE GP LIMITED (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020**

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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.

#### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the 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 in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

##### **Auditors' responsibilities for the audit of the financial statements**

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

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 Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non compliance with laws and regulation and fraud;
- Reviewing relevant Board meeting minutes;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, entries posted containing unusual account descriptions, and entries posted with unusual amounts; and
- Designing audit procedures to incorporate unpredictability around the nature, timing 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## AVIVA INVESTORS INFRASTRUCTURE GP LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIVA INVESTORS INFRASTRUCTURE GP LIMITED (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Use of this report

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

## Other required reporting

### Companies Act 2006 exception reporting

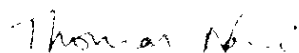
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Thomas Norrie (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
23 June 2021

**AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

		1 Jan 2020 to 31 Dec 2020 £	1 Jan 2019 to 31 Dec 2019 £
	Note		
<b>Turnover</b>		<b>344</b>	318
Administrative expenses	5	(15,217)	(15,360)
<b>Loss before taxation</b>		<b>(14,873)</b>	(15,042)
Tax on loss	6	-	-
<b>Loss for the financial year and total comprehensive expense for the financial year</b>		<b>(14,873)</b>	(15,042)

All amounts reported in the Statement of Comprehensive Income for the years ended 31 December 2020 and 31 December 2019 relate to continuing operations.

The notes on pages 12 to 21 form an integral part of these financial statements.

**AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

	Note	31 Dec 2020 £	31 Dec 2019 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	1,938	1,594
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	8	(94,398)	(79,181)
<b>Net current liabilities</b>		<u>(92,460)</u>	<u>(77,587)</u>
<b>Net liabilities</b>		<u>(92,460)</u>	<u>(77,587)</u>
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Profit and loss account		(92,461)	(77,588)
<b>Total Shareholders' deficit</b>		<u>(92,460)</u>	<u>(77,587)</u>

The financial statements on pages 9 to 21 were approved by the Board of Directors on 23 June 2021 and signed on its behalf by:

DocuSigned by:  
  
D92150B1E2EE47E  
**M A Wells**  
Director

The notes on pages 12 to 21 form an integral part of these financial statements.

**AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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	Called up share capital	Profit and loss account	Total Shareholders' deficit
	£	£	£
<b>Balance as at 1 January 2019</b>	<b>1</b>	<b>(62,546)</b>	<b>(62,545)</b>
Loss for the financial year and total comprehensive expense for the financial year	-	(15,042)	(15,042)
<b>Balance as at 31 December 2019 and 1 January 2020</b>	<b>1</b>	<b>(77,588)</b>	<b>(77,587)</b>
Loss for the financial year and total comprehensive expense for the financial year	-	(14,873)	(14,873)
<b>Balance as at 31 December 2020</b>	<b>1</b>	<b>(92,461)</b>	<b>(92,460)</b>

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The notes on pages 12 to 21 form an integral part of these financial statements

# **AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1. General information**

Aviva Investors Infrastructure GP Limited (the "Company") acts as the General Partner of Aviva Investors Infrastructure Income Limited Partnership (the "Partnership") which is engaged in the business of property and infrastructure investment.

The Company is registered as a private company limited by its shares and its registered address is St Helen's, 1 Undershaft, London, EC3P 3DQ.

### **2. Statement of compliance**

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

### **3. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

#### **3.1 Basis of preparation**

The financial statements have been prepared under the historical cost convention and on a going concern basis. The accounting policies have been consistently applied throughout the year and are consistent with those applied in previous years.

These financial statements have been presented in British Pounds as this is the Company's functional currency, being the primary economic environment in which it operates.

#### **3.2 Going concern**

At the balance sheet date the company had net liability and net current liability of £92,460 (2019: net liability £77,587). This is driven by £79,215 (2019: £65,477) owed to the Partnership, £10,795 (2019: £10,795) owed to Aviva Investors Infrastructure Income No.1 (Holdco) Limited and £4,388 of accruals for audit and tax advisory fees (2019: £2,909).

The directors have received confirmation that the Partnership intends to support the company to enable it to meet its obligations as they fall due and it will not seek repayment of part or all of any intercompany debt, where to do so would place this company in an insolvent position. In addition, a letter of support has been provided by the Partnership. Therefore, the directors have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future and for this reason they have continued to adopt the going concern basis in preparing the financial statements.

#### **3.3 Consolidation exemption**

The Company acts as the General Partner to the Partnership. The Company therefore exercises a dominant influence over the Partnership. The economic interest of the Company in the Partnership is small and restricted and is principally derived in the form of the General Partner share provided for under the terms of the Limited Partnership Agreement. As the Company's influence is fiduciary in nature, the Partnership is not treated as a subsidiary undertaking.

## **AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **3. Accounting policies (continued)**

##### **3.4 Strategic report and Directors' report**

A strategic report has not been included in these audited financial statements as the Company qualifies for exemption as a small entity under Section 414B of the Companies Act 2006 relating to small entities. The Directors' report has been prepared with reduced disclosures in accordance with the provisions applicable to companies entitled to the small companies exemption in section 415A of the Companies Act 2006.

##### **3.5 Use of estimates**

The preparation of financial statements requires the Company to make estimates and assumptions that affect items reported in the Statement of Financial Position and Statement of Comprehensive Income and the disclosure of contingent assets and liabilities at the date of the financial statements. Although these estimates are based on management's best knowledge of current facts, circumstances and, to some extent, future events and actions, actual results ultimately may differ from those estimates, possibly significantly.

##### **3.6 Turnover**

Turnover, which excludes value added tax, represents income receivable from the Partnership, recognised on an accruals basis.

##### **3.7 Administrative expenses**

Administrative expenses include administration, finance, professional and management expenses which are recognised on an accruals basis.

##### **3.8 Cash flow statement**

The Company has taken advantage of the exemption from preparing a statement of cash flows, on the basis that it is a qualifying entity under FRS 102 and the Company's cash flows are included in the consolidated statement of cash flows of Aviva plc. The Company intends to continue availing of the above exemption in future periods.

## **AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **3. Accounting policies (continued)**

##### **3.9 Taxation**

The current tax expense is based on the taxable profits for the year, after any adjustments in respect of prior years. Tax, including tax relief for losses if applicable, is allocated over profits before taxation and amounts charged or credited to reserves as appropriate.

Provision is made for deferred tax liabilities, or credit taken for deferred tax asset, using the liability method, on all material temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The principal temporary differences arise from the creation of current year tax losses. The rates enacted or substantively enacted at the Statement of Financial Position date are used to determine the deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred tax is not provided on revaluations of investments in subsidiaries as under current tax legislation no tax will arise on their disposal.

##### **3.10 Provisions and contingent liabilities**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is more probable than not.

Contingent liabilities are disclosed either if there is a possible obligation to transfer economic benefits, or if a present obligation exists where it is not probable that a transfer of economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

There were no contingent liabilities or commitments at the Statement of Financial Position date (2019: £Nil).

##### **3.11 Financial instruments**

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

###### **(i) Financial assets**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

# AVIVA INVESTORS INFRASTRUCTURE GP LIMITED

Registered in England and Wales: No. 07739651

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 3. Accounting policies (continued)

#### 3.11 Financial instruments (continued)

##### (i) Financial assets (continued)

Basic financial assets, including other receivables, 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 costs 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 the Statement of Comprehensive Income.

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 the Statement of Comprehensive Income.

Financial assets that are classified as receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be received, net of impairment.

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) despite having retained some significant risks and rewards of ownership, 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.

##### (ii) Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Basic financial liabilities are initially measured at transaction price (including transaction costs), except for those financial liabilities classified as at fair value through the Statement of Comprehensive Income, which are initially measured at fair value (which is normally the transaction price excluding transaction costs).

Commitments to make payments which meet the conditions above are measured at cost (which may be nil) less impairment.

Financial liabilities are derecognised only when the obligation specified in the contract 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.

**AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****4. Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the Company's financial statements requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. The estimates and associated assumptions are based on historical experience, expectations of future events and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors confirm that no critical accounting judgements have been made in relation to the 2020 financial statements.

**5. Administrative expenses**

	<b>1 Jan 2020 to 31 Dec 2020 £</b>	<b>1 Jan 2019 to 31 Dec 2019 £</b>
Fees payable to the auditors for the audit of the Company's financial statements*	<b>3,897</b>	5,360
Tax advisory fees	<b>1,320</b>	-
Professional fees	<b>10,000</b>	10,000
	<b>15,217</b>	15,360

\*During the year no non-audit fees were paid to statutory auditors.

The Directors received no emoluments from the Company for services to the Company for the financial year (2019: £Nil).

The Company had no employees during the financial year (2019: Nil).

**6. Tax on loss**

	<b>1 Jan 2020 to 31 Dec 2020 £</b>	<b>1 Jan 2019 to 31 Dec 2019 £</b>
<b>Analysis of tax charge in the year</b>		
UK corporation tax charge on loss for the year	-	-
<b>Tax on loss</b>	<b>-</b>	<b>-</b>

**AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****6. Tax on loss (continued)****(a) Tax reconciliation**

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19.00% (2019 - 19.00%) as set out below:

	<b>1 Jan 2020 to 31 Dec 2020 £</b>	<b>1 Jan 2019 to 31 Dec 2019 £</b>
Loss before taxation	<u>(14,873)</u>	<u>(15,042)</u>
Loss before taxation multiplied by standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	<b>(2,826)</b>	(2,858)
Non-taxable distribution from the Partnership	<b>(66)</b>	(60)
Allocation of profit from the Partnership	<b>129</b>	126
Deferred tax assets not recognised	<u><b>2,763</b></u>	<u>2,792</u>
<b>Total tax charge for the year</b>	<u><u>-</u></u>	<u><u>-</u></u>

**(b) Deferred tax**

At 31 December the Company has the following unrecognised deferred tax assets to carry forward indefinitely against future taxable income:

	<b>1 Jan 2020 to 31 Dec 2020 £</b>	<b>1 Jan 2019 to 31 Dec 2019 £</b>
Unutilised management expenses	<b>14,543</b>	14,696
Deferred tax rate	<u><b>19%</b></u>	<u>17%</u>
<b>Deferred tax asset not recognised</b>	<u><u><b>2,763</b></u></u>	<u><u>2,498</u></u>

**AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****6. Tax on loss (continued)**

The total outstanding amount of unrecognised deferred tax asset was as follows:

	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>
	<b>£</b>	<b>£</b>
Opening balance of unrecognised deferred tax assets	<b>13,076</b>	10,639
Deferred tax losses for the year	<b>2,763</b>	2,498
Adjustment in respect to prior periods	-	(61)
Remeasurement of deferred tax for changes in tax rates	<b>1,522</b>	-
<b>Balance at 31 December</b>	<b>17,361</b>	13,076

The above deferred tax asset has not been provided for as there is insufficient evidence under FRS 102, Section 29 as to the availability of suitable taxable profits in the foreseeable future.

**(c) Factors affecting current tax charge for the year**

During 2020, the reduction in the UK corporation tax rate that was due to take effect from 1 April 2020 was cancelled and as a result, the rate has remained at 19%. There is no impact on the Company's net assets as a consequence of this amendment.

In the Budget of 3 March 2021 the UK Government announced that the UK corporation tax rate will increase to 25% from 1 April 2023. As of 31 December 2020, this measure had not been substantively enacted and therefore no impact is reflected in the calculation of the Company's deferred tax assets and liabilities as at 31 December 2020. There is no impact on the Company's net assets as a consequence of this amendment.

**7. Debtors: amounts falling due within one year**

	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>
	<b>£</b>	<b>£</b>
Amounts owed by Partnership	<b>1,143</b>	799
Other debtors - VAT	<b>795</b>	795
	<b>1,938</b>	1,594

Amounts owed by group undertakings and by Partnership are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****8. Creditors: amounts falling due within one year**

	<b>31 Dec 2020</b>	31 Dec 2019
	£	£
Amounts owed to the Partnership	<b>79,215</b>	65,477
Amount owed to group undertakings	<b>10,795</b>	10,795
Accruals	<b>4,388</b>	2,909
	<b><u>94,398</u></b>	<u>79,181</u>

Amounts owed to the Partnership and to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**9. Called up share capital**

	<b>31 Dec 2020</b>	31 Dec 2019
	£	£
Allotted, called up and unpaid share capital of the Company at 31 December 2020: 1 (2019: 1) ordinary share of £1	<b><u>1</u></b>	<u>1</u>

**10. Contingent liabilities and capital commitments**

There were no contingent liabilities or commitments at the Statement of Financial Position date (2019: £Nil).

**AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****11. Related party transactions**

	<b>2020 Income earned / (expenses incurred) in the year £</b>	<b>2020 Receivable/ (payable) at year end £</b>	<b>2019 Income earned / (expenses incurred) in the year £</b>	<b>2019 Receivable/ (payable) at year end £</b>
Aviva Investors Infrastructure Income Limited Partnership - priority distribution	<b>344</b>	<b>1,143</b>	318	799
Aviva Investors Infrastructure Income Limited Partnership - payment on behalf of the Company	<b>(13,741)</b>	<b>(79,215)</b>	(15,360)	(65,477)
Aviva Investors Infrastructure Income No.1 (Holdco) Limited - payment on behalf of the Company	-	<b>(10,795)</b>	-	(10,795)
	<b>(13,397)</b>	<b>(88,867)</b>	(15,042)	(75,473)

The Company is entitled to a priority distribution of 0.01% (2019: 0.01%) of the Net Income available for distribution from the Partnership.

During the year administrative fees of £10,000 (2019: £10,000), tax advisory fees of £721 (2019: Nil) and audit fees of £3,020 (2019: £5,360) were paid by Aviva Investors Infrastructure Income Limited Partnership on behalf of the Company. At the Statement of Financial Position date the Company owed £10,795 (2019: £10,795) to Aviva Investors Infrastructure Income No.1 (Holdco) Limited.

**12. Financial instruments**

	<b>31 Dec 2020 £</b>	<b>31 Dec 2019 £</b>
<b>Financial assets measured at undiscounted amount:</b>		
Debtors: amounts falling due within one year (see Note 7)	<b>1,143</b>	799
	<b>1,143</b>	799
<b>Financial liabilities measured at undiscounted amount:</b>		
Creditors: amounts falling due within one year (see Note 8)	<b>94,398</b>	79,181
	<b>94,398</b>	79,181

## **AVIVA INVESTORS INFRASTRUCTURE GP LIMITED**

Registered in England and Wales: No. 07739651

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **13. Immediate parent and ultimate controlling party**

The Company is owned by Aviva Investors Real Estate Limited.

Aviva Investors Real Estate Limited is a wholly owned subsidiary of Aviva Investors Holdings Limited, whose ultimate controlling entity is Aviva plc.

Aviva plc is the parent undertaking of both the largest and the smallest group of undertakings to consolidate the financial statements at 31 December 2020. The consolidated financial statements of Aviva plc are available on the application to the Group Company Secretary, Aviva plc, St Helen's, 1 Undershaft, London, EC3P 3DQ.

#### **14. Events after the reporting financial year**

Events after the reporting financial year have been evaluated up to the date the audited financial statements were approved and authorised for issue by the Directors and there are no material events to be disclosed or adjusted for in these audited financial statements.

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Registered in England & Wales No: LP014638

**AVIVA INVESTORS INFRASTRUCTURE  
INCOME LIMITED PARTNERSHIP  
ANNUAL REPORT AND FINANCIAL  
STATEMENTS  
31 DECEMBER 2020**

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## **AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP CONTENTS**

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## **AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP PARTNERS, ADVISORS AND OTHER INFORMATION**

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### **Partners:**

#### **Limited Partner**

Aviva Investors Infrastructure Income Unit Trust

#### **General Partner**

Aviva Investors Infrastructure GP Limited

St Helen's

1 Undershaft

London

EC3P 3DQ

#### **Portfolio Manager**

Aviva Investors Global Services Limited

St Helen's

1 Undershaft

London

EC3P 3DQ

#### **Fund Manager**

Aviva Investors UK Fund Services Limited

St Helen's

1 Undershaft

London

EC3P 3DQ

#### **Independent Auditors**

PricewaterhouseCoopers LLP

7 More London Riverside

London

SE1 2RT

#### **Bankers**

Royal Bank of Scotland

London City Office

PO Box 412

62/63 Threadneedle Street

London

EC2R 8LA

#### **Registered Office**

St Helen's

1 Undershaft

London

EC3P 3DQ

#### **Registered Number**

Registered in England and Wales: No. LP014638

## **AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**

### **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors of the General Partner (the "Directors") present their Strategic Report of Aviva Investors Infrastructure Income Limited Partnership (the "Partnership") and its subsidiary undertakings (together referred to as the "Group") for the year ended 31 December 2020.

#### **The Partnership**

The Partnership was established on 6 September 2011 and is registered as a limited partnership in England and Wales under the Limited Partnerships Act 1907. As at 31 December 2020, a total of £192,911,174 has been drawn down as committed Partner's capital (31 December 2019: £141,877,860).

#### **Principal Activities of the Group**

The principal activity of the Group is to invest, directly or indirectly, into infrastructure in the United Kingdom. The Partnership owns a 100% equity interest in Aviva Investors Infrastructure Income No.1 Limited, Aviva Investors Infrastructure Income No.2 Limited, Aviva Investors Infrastructure Income No.2B Limited, Aviva Investors Infrastructure Income No.3 Limited, Aviva Investors Infrastructure Income No.4A Limited and Aviva Investors Infrastructure Income No.4B, Aviva Investors Infrastructure Income No.5 Limited, Aviva Investors Infrastructure Income MidCo 6.1 Limited (together the "Holdcos") and Aviva Investors Energy Centres No.1 Limited Partnership.

The principal activity of the Holdcos are to act as holding companies for infrastructure investments. These infrastructure investments generate income from the operation of solar panels installed on residential properties and the construction and operation of medium and utility scale wind turbines and biomass assets.

The Group and Partnership have invested in infrastructure leases and receives rental income from energy facilities. This will continue to be the principal activity of the Group for the foreseeable future.

#### **REVIEW OF THE GROUP'S BUSINESS**

##### **Objective and strategy**

The objective of the Group is to achieve investment returns in excess of two hundred (200) basis points per annum (net of costs and expenses) above the rate of return generated by long-dated (15 years or more) indexed-linked gilts over the long term.

To achieve the Group's objective, the Group has adopted the following strategy for its property portfolio:

1. The Group will focus its investment activities on United Kingdom assets which offer:

- (a) Primary exposure to (i) the availability of underlying eligible infrastructure assets and/or (ii) the operation of the underlying eligible infrastructure assets within regulatory regimes; and
- (b) No exposure or limited exposure to the economic use of the underlying eligible infrastructure assets (other than exposure resulting from the operation of the underlying eligible infrastructure assets within regulatory regimes, where any anticipated exposure shall be limited).

2. The Group will own, acquire or invest in (whether directly or indirectly) rights under contracts (including concession based contracts (such as private finance initiative, public private partnership or similar structures) and/or through debt investments) in relation to the eligible infrastructure assets and/or own, acquire or invest in (whether directly or indirectly) the eligible infrastructure assets (or the rights to operate such eligible infrastructure assets).

## **AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**

### **STRATEGIC REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **REVIEW OF THE GROUP'S BUSINESS (CONTINUED)**

##### **Objective and strategy (continued)**

3. The Group may acquire or invest in infrastructure investments from any sub-sector in the United Kingdom market, including:

##### **3.1 Energy (including renewable energy), including:**

- (a) solar photovoltaics (i.e. the production of electricity by solar panels);
- (b) wind (excluding assets with any material construction risks);
- (c) hydroelectric (excluding assets with any material construction risks);
- (d) geothermal (excluding assets with any material construction risks);
- (e) biomass (including biogas) (excluding assets with material feedstock risks); and
- (f) energy from waste (excluding assets with material feedstock risks).

##### **3.2 Energy efficiency, including:**

- (a) domestic energy efficiency;
- (b) non-domestic energy efficiency, including combined heat and power facilities linked to public buildings; and
- (c) metering.

##### **3.3 Public buildings:**

- (a) schools or other educational facilities;
- (b) hospitals or other medical facilities;
- (c) prisons or detention centres;
- (d) libraries, court building or other municipal buildings;
- (e) central or local government offices buildings;
- (f) offices or other facilities for the emergency services;
- (g) military housing, other military buildings or military training facilities; and
- (h) student accommodation.

##### **3.4 Transportation:**

- (a) street lighting;
- (b) roads (availability and other revenue structures where there is limited expected exposure to the economic use of the road only); and
- (c) rail or light rail (availability and other revenue structures where there is limited expected exposure to the economic use of the rail asset only).

##### **3.5 Utility assets:**

- (a) electricity transmission and distribution;
- (b) electricity interconnectors;
- (c) gas transmission and distribution;
- (d) gas interconnectors;
- (e) water and wastewater;
- (f) water treatment; and
- (g) telecommunications (where there is limited expected exposure to the economic use of the telecommunications asset).

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**REVIEW OF THE GROUP'S BUSINESS (CONTINUED)**

**Objective and strategy (continued)**

4. The Group may acquire or invest in infrastructure investments in the following sub-sector:

**4.1 Renewable Energy:**

- (a) any power generation assets that are neither supported by a feed-in-tariff regime nor have an appropriate power purchase agreement in place nor has an appropriate contract for difference in place nor has other appropriate contractual arrangements or mechanisms in place that materially de-risk downside exposure to economic usage.

**4.2 Transportation:**

- (a) airports (economically regulated assets only); and
- (b) ports (economically regulated assets only).

5. The Group shall not acquire or invest in assets (including by way of debt investment) in the following subsectors unless as an ancillary part of any acquisition of or investment into an infrastructure investment, in which case such ancillary part shall not constitute more than 10 per cent of the net asset value of the total infrastructure investment being acquired or invested in and shall be disposed of as soon as reasonably practicable after completion of the acquisition or investment:

**5.1 Renewable energy (feedstock risk):**

- (a) biomass (including biogas); and
- (b) energy from waste.

**5.2 Public buildings:**

- (a) tourist facilities; and
- (b) municipal waste.

**5.3 Transportation (material usage risk):**

- (a) economically unregulated airports;
- (b) economically unregulated ports;
- (c) road (material usage risk); and
- (d) rail (material usage risk).

**5.4 Utility assets (material usage risk):**

- (a) telecommunications.

6. Infrastructure investments may include investment into or acquisition of eligible infrastructure assets that are operational or in the construction phase.

7. Infrastructure investments will be denominated (or have contractual obligations denominated) in Sterling.

8. Upon acquisition of or investment into an infrastructure investment, the effective acquisition price of each single underlying eligible infrastructure asset shall not exceed the higher of (i) £125,000,000 and (ii) 20 per cent of the gross asset value of all Partnership assets.

9. If the gross asset value of all Group assets exceeds £500,000,000, then upon acquisition of or investment into an infrastructure investment, effective cash flows of each single underlying eligible infrastructure investment shall be forecast to account for no more than 20 per cent of the total cash flows of the Group.

# AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### REVIEW OF THE GROUP'S BUSINESS (CONTINUED)

##### Objective and strategy (continued)

10. The Group will not:

- (a) undertake speculative developments or speculative funding; or
- (b) invest in other funds managed by any entity which is not an associate of, or connected with, the Fund Manager.

11. No more than 10 per cent of the gross asset value of all Group assets will be held in index linked gilts, index linked investment grade corporate bonds, money market instruments and derivatives. Such instruments will be held for efficient portfolio management and liquidity management only.

#### GROUP PERFORMANCE

The consolidated financial position of the Group at 31 December 2020 is shown in the Consolidated Statement of Financial Position on page 20, with the results shown in the Consolidated Statement of Comprehensive Income on page 19 and the Consolidated Statements of Cash Flows on page 23.

The business review is required to contain financial and where applicable, non-financial key performance indicators (KPIs). The General Partner considers that, in line with the activities and objectives of the business, the financial KPIs set out below are those which communicate the performance of the Group as a whole. These KPIs comprise of:

	31 December 2020	31 December 2019
Fund return per unit per price	2.16%	3.12%
Distribution yield	7.82%	7.85%
Net asset value (NAV)	£47,476,646	£72,879,002
Market value of assets	£852,120,037	£838,104,825
Number of assets	45	45

The Group produced a total return of 2.16% (31 December 2019: 3.12%) against a benchmark return of 2.70% (31 December 2019: 2.64%). The benchmark is calculated using 3 equally weighted inflation linked gilts which have a comparable duration to that of the Fund.

#### CAPITAL MANAGEMENT AND OBJECTIVES

£51,033,314 in the form of capital contribution was injected into Aviva Investors Infrastructure Income Limited Partnership during the year ended 31 December 2020 (31 December 2019: £20,312,130).

£Nil in the form of return of capital was paid by Aviva Investors Infrastructure Income Limited Partnership to Aviva Investors Infrastructure Income Unit Trust during the year ended 31 December 2020 (31 December 2019: £Nil). Distributions to the Partners were £14,756,445 (31 December 2019: £13,598,169).

£74,708,052 was drawn by the Group from a loan facility with Aviva Investors Infrastructure Income Unit Trust during the year ended 31 December 2020 (31 December 2019: £152,947,489).

#### PURCHASES AND DISPOSALS

During the year the Group acquired 64.10% of the equity interest in Aviva Investors Infrastructure Income No.7 Limited for a total consideration of £1,346,100.

During the year the Group disposed of solar panel investments for a total consideration of £2,345,448.

## **AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**

### **STRATEGIC REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **EVENTS AFTER THE REPORTING PERIOD**

Events after the reporting period have been evaluated up to the date the audited financial statements were approved and authorised for issue by the General Partner of the Aviva Investors Infrastructure Income Limited Partnership and there are no events to be disclosed or adjusted for in these audited financial statements.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The key risks arising in the Group are market, interest rate, credit, operational and liquidity risks which are discussed in more detail below.

##### **The Aviva Group's approach to risk and capital management**

The Aviva Group operates within its own governance structure and priority framework. It also has its own established governance framework, with clear terms of reference for the Board and the Aviva Executive Committee and a clear organisation structure, with documented delegated authorities and responsibilities (largely through role profiles). Aviva has an Audit Committee, which includes shareholder representatives.

##### **Management of financial and non-financial risks**

The Group's exposure to different types of risk is limited by the nature of its business as follows:

##### **COVID-19**

On January 30, 2020, the World Health Organisation ('WHO') declared the coronavirus (COVID-19) a public health emergency, shortly followed by declaring a Global Pandemic on 11 March 2020. This had an unprecedented impact on economies and real estate markets globally. The UK Government response to this being to initiate various emergency measures to protect occupiers and support businesses, such as the introduction of a furlough scheme and the government moratorium. In addition, the UK Government imposed various lockdowns throughout the year with the introduction of social distancing requirements and a ban on foreign travel, all of which added further stresses and demands to the economy.

Post entering into the third lockdown in late December 2020 the Government has put in place a roadmap to ease restrictions which included the roll out of the vaccination plan.

Whilst it is still not possible to fully assess the longer-term impact on specific industries or their constituents at this stage, the General Partner believes the Group and Partnership have a strong balance sheet and the right strategy in place to mitigate against the worst consequences of the outbreak. The General Partner will continue to monitor the COVID-19 situation closely and act accordingly to protect the interests of investors.

##### **Market risk**

Market risk, along with all risks, has a direct impact on the discount rates prepared by KPMG and in turn the valuation of the underlying infrastructure investments. However it is mitigated according to the general asset classes as follows:

##### **Small scale solar PV and Onshore Wind investments**

All assets are operational with years of performance history and are geographically diversified across the UK. Assets benefit from low irradiation/wind volatility, large majority of revenues from fixed (and indexed) energy prices and operationally simple assets.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)**

**Management of financial and non-financial risks (continued)**

**Market risk (continued)**

**Energy from Waste/Biomass investments**

Most assets have revenues from fixed (and indexed) energy prices and those that don't are mitigated by high demand for alternatives to traditional land fill waste disposal. This will result in the receipt of index linked gate fees from negotiated fuel supply contracts with local businesses. Where the assets are under construction, the construction risk is mitigated by the Group usually entering into fixed price contracts with experienced contractors, using best in class technology.

**Infrastructure Lease investments**

All assets provide rental receipts from tenants with income streams supported by renewable energy investments and are typically index-linked over a long-term lease duration.

**Fibre/Broadband investments**

Through the roll-out to areas without existing high-quality infrastructure for fibre-broadband, the likelihood of customer up-take and renewals over the long-term increases. Commitments to fund new networks are only made once a base level of customers have contracted for the service.

**Energy Centres**

With no operational risk taken, all assets provide electricity and heat at a lower cost and carbon footprint than taking energy from the grid to high quality government-backed tenants over a long-term contract.

**Investment properties**

Investment property valuations reflect managements assessment of fair value at the valuation date. A range of valuation sensitivities have been provided under the Investment Property Note 13 in order to illustrate the potential impact of any future uncertainty in the real estate market.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)**

**Management of financial and non-financial risks (continued)**

**Interest rate risk**

The Group's principal exposure to interest rate risk comes from its loan borrowings from Aviva Investors Infrastructure Income Unit Trust ("the Unit Trust"). The loan borrowings are index linked and issued at fixed rates which expose the Partnership to fair value interest rate risk. However, the Directors believe that there is minimal interest rate risk as the loan borrowings are with a related party and that the borrowings are accordingly managed on a wider group basis.

The table below sets out the carrying amounts, by maturity, of the Group's financial instruments.

	Effective interest rate %	Less than 1 year £	1-5 years £	More than 5 years £	Total £
<b>As at 31 December 2020</b>					
<b>Floating rate</b>					
Cash at bank and in hand	0.10	27,145,277	-	-	27,145,277
<b>Index linked</b>					
Loans receivable - Fred. Olsen CBH	6.00	-	-	58,565,043	58,565,043
Loans receivable - Hooton Bio Power Limited	7.81	-	-	124,136,177	124,136,177
Loans receivable - RDF Energy No.1 Limited	8.61	-	-	18,213,005	18,213,005
Loans receivable - Branston Solar Farm Limited	7.02	-	-	6,063,747	6,063,747
Loan receivable - Herriard Bio Power Limited	10.66	-	-	4,731,190	4,731,190
Loan receivable - Vital Energi (Drakelow) Limited	8.64	-	-	10,181,244	10,181,244
Loan Payable - Senior Loan	5.75	-	-	(740,494,572)	(740,494,572)
Loan Payable - Mezzanine Loan	9.80	-	-	(337,018,951)	(337,018,951)
		-	-	(855,623,117)	(855,623,117)
<b>As at 31 December 2019</b>					
<b>Floating rate</b>					
Cash at bank and in hand	0.75	44,255,581	-	-	44,255,581
<b>Index linked</b>					
Loans receivable - Fred. Olsen CBH	6.00	-	-	54,190,156	54,190,156
Loans receivable - Hooton Bio Power Limited	7.81	-	-	81,061,944	81,061,944
Loans receivable - RDF Energy No.1 Limited	8.61	-	-	12,984,400	12,984,400
Loans receivable - Branston Solar Farm Limited	6.91	-	-	5,857,733	5,857,733
Loan Payable - Senior Loan	5.52	-	-	(706,877,409)	(706,877,409)
Loan Payable - Mezzanine Loan	9.59	-	-	(317,504,294)	(317,504,294)
		-	-	(870,287,470)	(870,287,470)

At 31 December 2020, if interest rates on borrowings had been 10 basis points higher/lower with all other variables held constant, the calculated post-tax profit for the year would have been £828,478 (31 December 2019: £826,032) lower/higher.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)**

**Management of financial and non- financial risks (continued)**

**Credit risk**

The Group does not have a significant exposure to credit risk as receivables are mainly short-term trading items and related party receivables.

Loan commitments are made under the Limited Partnership Agreement ("LPA") that is signed by all parties so that all members of the Group are aware of their commitments. The General Partner communicates regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance to manage the risk of default.

Cash at bank is held with financial institutions with good credit ratings.

**Operational risk**

Operational risk arises as a result of inadequate or failed internal processes, people or systems; or from external events. Details of the Aviva Group approach to operational risk are set out in the financial statements of Aviva Investors UK Fund Services Limited, which manages and administers the Group's investments.

**Liquidity risk**

Liquidity risk is managed by ensuring that there is always sufficient headroom available to meet the working capital requirements of the business. The General Partner monitors the maturity of the Group's obligations as and when they fall due.

The maturity analysis of the Group's financial assets and liabilities as at 31 December 2020 was as follows:

	On demand	1-3 months	4-12 months	More than 12 months	Total
	£	£	£	£	£
<b>Financial Assets</b>					
Loan receivable	-	-	-	221,890,406	221,890,406
Trade debtors	3,596,383	-	-	-	3,596,383
Amounts owed by related undertakings	203,295	-	-	-	203,295
Other debtors	1,666,332	-	-	-	1,666,332
Accrued income	21,405,917	-	-	-	21,405,917
Interest receivable	12,166,932	-	-	-	12,166,932
Cash at bank and in hand	27,145,277	-	-	-	27,145,277
	<u>66,184,136</u>	<u>-</u>	<u>-</u>	<u>221,890,406</u>	<u>288,074,542</u>
	On demand	1-3 months	4-12 months	More than 12 months	Total
	£	£	£	£	£
<b>Financial Liabilities</b>					
Accounts payable	3,064,787	-	-	-	3,064,787
Interest payable	77,788,614	-	-	-	77,788,614
Finance costs - distributions payable	828,121	-	-	-	828,121
Accruals	11,829,528	-	-	-	11,829,528
Other payables	22,497,481	-	-	-	22,497,481
Intercompany borrowings	-	-	-	1,077,513,523	1,077,513,523
	<u>116,008,531</u>	<u>-</u>	<u>-</u>	<u>1,077,513,523</u>	<u>1,193,522,054</u>

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)**

**Management of financial and non- financial risks (continued)**

**Liquidity risk (continued)**

The maturity analysis of the Group's financial assets and liabilities as at 31 December 2019 was as follows:

	On demand £	1-3 months £	4-12 months £	More than 12 months £	Total £
<b>Financial Assets</b>					
Loan receivable	-	-	-	154,094,233	154,094,233
Trade debtors	5,166,550	-	-	-	5,166,550
Amounts owed by related undertakings	167,525	-	-	-	167,525
Other debtors	963,937	-	-	-	963,937
Accrued income	21,245,662	-	-	-	21,245,662
Interest receivable	5,420,779	-	-	-	5,420,779
Cash at bank and in hand	44,255,581	-	-	-	44,255,581
	<u>77,220,034</u>	<u>-</u>	<u>-</u>	<u>154,094,233</u>	<u>231,314,267</u>

	On demand £	1-3 months £	4-12 months £	More than 12 months £	Total £
<b>Financial Liabilities</b>					
Accounts payable	2,816,332	-	-	-	2,816,332
Interest payable	45,055,518	-	-	-	45,055,518
Finance costs - distributions payable	815,849	-	-	-	815,849
Accruals	14,305,626	-	-	-	14,305,626
Other payables	27,901,539	-	-	-	27,901,539
Intercompany borrowings	-	-	-	1,024,381,703	1,024,381,703
	<u>90,894,864</u>	<u>-</u>	<u>-</u>	<u>1,024,381,703</u>	<u>1,115,276,567</u>

**COVID-19**

Management's assessment of the financial risks associated with COVID-19 and the Group's response to such risks is detailed above within principal risks and uncertainties.

## AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

#### EMPLOYEES

The Partnership has no employees (31 December 2019: Nil). The key management personnel have been identified as the Directors of Aviva Investors Infrastructure GP Limited. The Directors received no remuneration from the group (31 December 2019: £Nil).

#### ENVIRONMENTAL

##### Our approach to responsible investment in real assets

Our duty as long-term stewards of our clients' assets is the responsible allocation and management of capital. We do this to create stable income and capital growth for our clients, contributing to long-term value creation. To create and protect value, we must balance the needs of our clients with the needs of our stakeholders: customers, partners, communities and wider society. We do this by understanding material environmental, social and governance (ESG) factors and sustainability risks that can impact investment returns and assessing investments for their potential to adversely impact our stakeholders.

Governance and oversight of our responsible investment activity is led by our real assets stewardship forum, which is chaired by the chief investment officer and has membership from our senior leadership team as well as the chief responsible investment officer. The stewardship forum oversees the direction of our ESG and stewardship activities, as well as the delivery of our sustainability goals and external stakeholder matters. Our real assets investment oversight committee retains oversight of ESG integration in our investment activities and is supported by our origination forum, which guides ESG integration in our investment strategy.

We encourage a culture of team and individual accountability through integrating ESG in asset planning and review meetings. Our reporting on ESG metrics through these meetings allows us to hold our teams to account for delivering our responsible investment goals. The integration of ESG factors in investment decisions is part of the pay criteria of our main investment desk heads. In addition, through our global reward framework, all investment employees are expected to support our responsible investment activities and integrate ESG issues into their investment processes.

Find out more about our approach to responsible investment at <https://www.avivainvestors.com/en-gb/about/responsible-investment/>

#### 2020 ANNUAL REPORT ENERGY & CARBON STATEMENT

This statement has been prepared in accordance with our regulatory obligation to report greenhouse gas (GHG) emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 which implement the government's policy on Streamlined Energy and Carbon Reporting.

During the reporting period 01/01/2020 to 31/12/2020, our measured Scope 1 and 2 emissions (location-based) totalled 114,983.1 tCO<sub>2</sub>e. This comprised:

Scope	FY2020
	Total
1	95,199.85
2 – location-based	19,783.25
2 – market-based	19,783.25
Total Scope 1 & 2 (Location-Based)	114,983.10
Total Scope 1 & 2 (Market-Based)	114,983.10
Scope 1 & 2 intensity per FTE – market-based	7,665.54
Scope 3	0.28

Our measured Scope 3 emissions totalled 0.28 tCO<sub>2</sub>e.

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**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**2020 ANNUAL REPORT ENERGY & CARBON STATEMENT (CONTINUED)**

During the year, our total fuel and electricity consumption totalled 497,069.54 MWh, of which 100% was consumed in the UK. Energy efficiency activities during the reporting year, included upgrades. The split between fuel and electricity consumption is displayed below.

Energy consumption (kWh)	FY2020
	Total
Electricity	412,213.89
Fuels <sup>1</sup>	84,855.65

<sup>1</sup> Natural gas only

Our emissions have been verified to a reasonable level of assurance by an external third party according to the ISO 14064-3 standard.

**METHODOLOGY**

We quantify and report our organisational GHG emissions in alignment with the World Resources Institute's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and in alignment with the Scope 2 Guidance. We consolidate our organisational boundary according to the operational control approach. We have adopted a materiality threshold of 5% for GHG reporting purposes. The GHG sources that constituted our operational boundary for the year are:

- Scope 1: Natural gas
- Scope 2: Electricity

In some cases, where data is missing, values have been estimated using either extrapolation of available data or data from the previous year as a proxy.

The Scope 2 Guidance requires that we quantify and report Scope 2 emissions according to two different methodologies ("dual reporting"):

- (i) the location-based method, using average emissions factors for the country in which the reported operations take place;
- (ii) and (ii) the market-based method, which uses the actual emissions factors of the energy procured.

For and on behalf of the Partnership:

DocuSigned by:  
  
 DocuSigned by:  
 Mark Wells

Director of Aviva Investors Infrastructure GP Limited

Date: 23 June 2021

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****GENERAL PARTNER'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Directors of the General Partner present their annual report and the audited financial statements of the Group and Partnership for the year ended 31 December 2020.

**RESULTS AND DISTRIBUTIONS**

The total comprehensive expense for the Group for 2020 was £76,435,670 (31 December 2019: £61,888,054). Distributions to the Partners were £14,756,445 (31 December 2019: £13,598,169).

**DIRECTORS**

The current Directors of Aviva Investors Infrastructure GP Limited and those in office throughout the year, except as noted, are as follows:

E V Dixon  
G P Mills (resigned 15 December 2020)  
J M Stevens  
M A Wells (appointed 24 December 2020)

**FUTURE DEVELOPMENTS**

The future development of the Partnership is set out in the Strategic Report.

**EVENTS AFTER THE REPORTING PERIOD**

Events after the reporting financial year are set out in the Strategic Report.

**PARTNERS' ACCOUNTS**

Partners' accounts consist of capital contributions and non interest bearing advances. The Partnership has classified the Partners' accounts as a financial liability based on the contractual arrangements within the LPA which require repayment of the net assets/liabilities upon winding up of the Partnership.

The Partners' accounts include capital contributions and Partners' advances as follows:

	<b>Capital Contributions</b>	<b>Capital Advance</b>
	<b>£</b>	<b>£</b>
<b>As at 31 December 2020</b>		
Aviva Investors Infrastructure Income Unit Trust (*)	10	188,984,112
Aviva Investors Infrastructure GP Limited	-	-
	<u>10</u>	<u>188,984,112</u>
	<b>Capital Contributions</b>	<b>Capital Advance</b>
	<b>£</b>	<b>£</b>
<b>As at 31 December 2019</b>		
Aviva Investors Infrastructure Income Unit Trust (*)	10	137,950,798
Aviva Investors Infrastructure GP Limited	-	-
	<u>10</u>	<u>137,950,798</u>

(\*) Formerly Aviva Investors REaLM Infrastructure Unit Trust.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**GENERAL PARTNER'S REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**AMOUNTS ATTRIBUTABLE TO THE GENERAL PARTNER**

The General Partner is entitled to a priority profit share in accordance with the LPA for its services as General Partner.

The General Partner's allocations are expensed through the Consolidated Statement of Comprehensive Income.

The General Partner's priority profit share entitlement for the year was £344 (31 December 2019: £318).

**GOING CONCERN**

The Group has net current liabilities of £50,792,741 (31 December 2019: £16,191,785). Included within this is interest on an unsecured loan amounting to £77,788,614 (31 December 2019: £45,055,518) from Aviva Investors Infrastructure Income Unit Trust (the "Unit Trust").

The Unit Trust has confirmed that it will not seek repayment of part or all of the amount loaned to the Group for at least twelve months from the date of approval of the Group financial statements. In order to cover any immediate shortfall, the Unit Trust can request drawdowns from commitments of investors and from available Revolving Credit Facilities. In addition, a letter of support has been provided by the Unit Trust.

For these reasons, the General Partner continues to adopt the going concern basis in preparing these financial statements.

**FINANCIAL INSTRUMENTS**

The business of the Group and Partnership includes use of financial instruments. Details of the Group and Partnership's risk management objectives and policies, and exposures to price risk, credit risk, liquidity risk and cash flow risk relating to financial instruments are set out on pages 6 to 10 and Note 25 of the financial statements.

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP ("PwC") have indicated their willingness to continue in office and a resolution to consider their appointment will be proposed at the board meeting of the General Partner.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each person who was a Director of the General Partner on the date that this report was approved confirms that:

- so far as each Director is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the Partnership's auditors are unaware; and
- each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**GENERAL PARTNER'S REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

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

Company law, as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations"), requires the general partner to prepare financial statements for each financial year. Under that law the general partner has prepared the group and qualifying partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law, as applied to qualifying partnerships, the general partner must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and qualifying partnership and of the profit or loss of the group and qualifying partnership for that period. In preparing the financial statements, the general partner is required to:

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

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

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

**General Partner's confirmations**

In the case of each general partner in office at the date the General Partner's Report is approved:

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

For and on behalf of the Partnership:

DocuSigned by:  
*Mark Wells*  
D9215081E2EE476...

**M A Wells**

Director of Aviva Investors Infrastructure GP Limited

Date: 23 June 2021

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF AVIVA INVESTORS**  
**INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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## Report on the audit of the financial statements

### Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph below, Aviva Investors Infrastructure Income Limited Partnership's group financial statements and partnership financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the partnership's affairs as at 31 December 2020 and of the group's and partnership's loss and the group's and partnership's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

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

### Basis for qualified opinion

We were unable to obtain sufficient appropriate audit evidence in relation to the accuracy and sufficiency of any provision required on total claims of £95.1m in relation to Biomass construction contracts as referred to in note 22. This is due to the evidence provided by the claimant and the evidence provided by management still being subject to ongoing legal proceedings, such that it is not possible to assess the accuracy and sufficiency of any provision required. Our audit opinion on the financial statements for the year ended 31 December 2020 is modified accordingly.

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 qualified opinion.

### Independence

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

### 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 group's and the partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

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

## **AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**

### **INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Reporting on other information**

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

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

With respect to the Strategic report and General Partner's Report, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

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

#### **Strategic report and General Partner's Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and General Partner's Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and partnership and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and General Partner's Report.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the general partner for the financial statements**

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

In preparing the financial statements, the general partner is responsible for assessing the group's and the partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the general partner either intends to liquidate the group or the partnership or to cease operations, or has no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

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

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008, and we considered the extent to which non-compliance might have a material effect on the financial statements. 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

## AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP

### INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

to posting inappropriate journal entries to increase revenue and management bias in accounting estimates and judgemental areas of the financial statements such as valuation of fixed assets and determination of provisions. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non compliance with laws and regulation and fraud;
- Reviewing relevant Board meeting minutes;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, entries posted containing unusual account descriptions, and entries posted with unusual amounts;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to fair value of fixed assets and carrying value of the provision described in the Basis for qualified opinion paragraph above; and
- Involving our valuation experts in the audit.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### Use of this report

This report, including the opinions, has been prepared for and only for the partners of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

In respect solely of the limitation on our work relating to the accuracy and sufficiency of provisions, described in the Basis for qualified opinion paragraph above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept by the partnership.

Under the Companies Act 2006 as applied to qualifying partnerships we are also required to report to you if, in our opinion:

- returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of general partner's remuneration specified by law are not made; or
- the partnership financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Thomas Norrie (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
23 June 2021

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****CONSOLIDATED AND PARTNERSHIP STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

		Group	Group	Partnership	Partnership
		1 Jan 2020 to 31 Dec 2020 £	1 Jan 2019 to 31 Dec 2019 £	1 Jan 2020 to 31 Dec 2020 £	1 Jan 2019 to 31 Dec 2019 £
	Note				
Turnover	5	81,834,330	68,414,820	3,295,940	2,945,449
<b>Gross profit</b>		<b>81,834,330</b>	<b>68,414,820</b>	<b>3,295,940</b>	<b>2,945,449</b>
Impairment of investments in subsidiaries	16	-	-	(3,474,035)	(1,611,188)
Administrative expenses	6	(45,372,715)	(25,228,637)	(2,290,549)	890,778
Depreciation for the year	13	(32,561,315)	(27,412,658)	-	-
Change in fair value of investment property	13	(2,347,050)	581,694	(2,347,050)	581,694
Realised loss on disposal of fixed asset		(153,192)	(423,512)	-	-
Fair value (loss)/gain on investments in joint ventures	15	(20,308,619)	(3,174,895)	(4,176,291)	2,041,986
Impairment of intangible assets	12	(3,174,582)	-	-	-
<b>Operating (loss)/profit</b>		<b>(22,083,143)</b>	<b>12,756,812</b>	<b>(8,991,985)</b>	<b>4,848,719</b>
Dividend received	7	5,623,240	7,987,000	4,068,094	2,615,611
Interest receivable and similar income	8	14,515,131	9,569,910	3,200,811	13,119
Interest payable and similar expenses	9	(86,371,286)	(80,202,485)	-	-
Finance costs - distributions to Partners	10	(14,756,445)	(13,598,169)	(14,756,445)	(13,598,169)
<b>Loss before taxation</b>		<b>(103,072,503)</b>	<b>(63,486,932)</b>	<b>(16,479,525)</b>	<b>(6,120,720)</b>
Taxation	11	(3,118,036)	(1,311,197)	-	-
<b>Loss after taxation</b>		<b>(106,190,539)</b>	<b>(64,798,129)</b>	<b>(16,479,525)</b>	<b>(6,120,720)</b>
<b>Other comprehensive income for the year</b>					
Change in fair value of fixed assets	13	29,754,869	2,910,075	-	-
<b>Total comprehensive expense for the year</b>		<b>(76,435,670)</b>	<b>(61,888,054)</b>	<b>(16,479,525)</b>	<b>(6,120,720)</b>
<b>Attributable to:</b>					
Partners' interests		(76,435,670)	(61,888,054)	(16,479,525)	(6,120,720)
		<u>(76,435,670)</u>	<u>(61,888,054)</u>	<u>(16,479,525)</u>	<u>(6,120,720)</u>

**Continuing operations**

All amounts reported in the Consolidated and Partnership Statement of Comprehensive Income for the years ended 31 December 2020 and 31 December 2019 relate to continuing operations.

The notes on pages 24 to 63 form an integral part of these financial statements.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****CONSOLIDATED AND PARTNERSHIP STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

		Group 31 Dec 2020 £	Group 31 Dec 2019 £	Partnership 31 Dec 2020 £	Partnership 31 Dec 2019 £
<b>Fixed assets</b>	<b>Note</b>				
Intangible assets	12	-	3,174,582	-	-
Fixed assets	13	812,357,343	797,179,355	-	-
Investment property	13	39,762,694	40,925,470	39,762,694	40,925,470
Net investment in finance leases	14	52,315,523	49,005,350	-	-
Investments in joint ventures	15	57,636,117	76,457,659	1,311,770	4,141,961
Investments in subsidiaries	16	-	-	58,341,090	57,443,270
Loans receivable	17	221,890,406	154,094,233	69,203,541	32,044,653
		<b>1,183,962,083</b>	<b>1,120,836,649</b>	<b>168,619,095</b>	<b>134,555,354</b>
<b>Current assets</b>					
Debtors: amounts falling due within one year	18	43,286,144	35,540,860	1,184,538	1,104,848
Cash at bank and in hand		27,145,277	44,255,581	3,342,214	2,551,441
		<b>70,431,421</b>	<b>79,796,441</b>	<b>4,526,752</b>	<b>3,656,289</b>
<b>Creditors: amounts falling due within one year</b>	19	<b>(121,224,162)</b>	<b>(95,988,226)</b>	<b>(3,594,499)</b>	<b>(3,214,084)</b>
<b>Net current (liabilities)/assets</b>		<b>(50,792,741)</b>	<b>(16,191,785)</b>	<b>932,253</b>	<b>442,205</b>
<b>Total assets less current liabilities</b>		<b>1,133,169,342</b>	<b>1,104,644,864</b>	<b>169,551,348</b>	<b>134,997,559</b>
Creditors: amounts falling due after more than one year	20	(1,077,513,523)	(1,024,381,703)	-	-
Deferred tax	11	(8,179,173)	(7,384,159)	-	-
<b>Net assets</b>		<b>47,476,646</b>	<b>72,879,002</b>	<b>169,551,348</b>	<b>134,997,559</b>
<b>Represented by:</b>					
Partners' interest	23	47,476,646	72,879,002	169,551,348	134,997,559
<b>Net assets attributable to Partners</b>		<b>47,476,646</b>	<b>72,879,002</b>	<b>169,551,348</b>	<b>134,997,559</b>

These audited financial statements were approved and authorised for issue by the Board of Directors of Aviva Investors Infrastructure GP Limited, the General Partner on 23 June 2021 and were signed on its behalf by:

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*Mark Wells*

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**M A Wells**

Director of Aviva Investors Infrastructure GP Limited  
Registered in England and Wales No: LP014638

The notes on pages 24 to 63 form an integral part of these financial statements.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****CONSOLIDATED AND PARTNERSHIP STATEMENTS OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO PARTNERS  
FOR THE YEAR ENDED 31 DECEMBER 2020****Consolidated**

	<b>Proceeds from partners £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
<b>Balance at 1 January 2019</b>	117,638,678	(3,183,752)	114,454,926
Total comprehensive expense for the year	-	(61,888,054)	(61,888,054)
Partners' loan advances during the year	20,312,130	-	20,312,130
<b>Balance at 31 December 2019</b>	<b>137,950,808</b>	<b>(65,071,806)</b>	<b>72,879,002</b>
Total comprehensive expense for the year	-	(76,435,670)	(76,435,670)
Partners' loan advances during the year	51,033,314	-	51,033,314
<b>Balance at 31 December 2020</b>	<b>188,984,122</b>	<b>(141,507,476)</b>	<b>47,476,646</b>

The notes on pages 24 to 63 form an integral part of these financial statements.

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**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****CONSOLIDATED AND PARTNERSHIP STATEMENTS OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO PARTNERS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020****Partnership**

	<b>Proceeds from Partners £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
<b>Balance at 1 January 2019</b>	117,638,678	3,167,471	120,806,149
Total comprehensive expense for the year	-	(6,120,720)	(6,120,720)
Partners' loan advances during the year	20,312,130	-	20,312,130
<b>Balance at 31 December 2019</b>	<b>137,950,808</b>	<b>(2,953,249)</b>	<b>134,997,559</b>
Total comprehensive expense for the year	-	(16,479,525)	(16,479,525)
Partners' loan advances during the year	51,033,314	-	51,033,314
<b>Balance at 31 December 2020</b>	<b>188,984,122</b>	<b>(19,432,774)</b>	<b>169,551,348</b>

The notes on pages 24 to 63 form an integral part of these financial statements.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****CONSOLIDATED AND PARTNERSHIP STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Group 1 Jan 2020 to 31 Dec 2020 £	Group 1 Jan 2019 to 31 Dec 2019 £	Partnership 1 Jan 2020 to 31 Dec 2020 £	Partnership 1 Jan 2019 to 31 Dec 2019 £
<b>Cash flows generated from operating activities</b>				
Operating (loss)/profit	(22,083,143)	12,756,812	(8,991,985)	4,848,719
<b>Adjustments for:</b>				
Depreciation	32,561,315	27,412,658	-	-
Amortisation	3,174,582	138,985	-	-
Change in fair value of investment properties	2,347,050	(581,694)	2,347,050	(581,694)
Impairment of investments in subsidiaries	-	-	3,474,035	1,611,188
Realised loss on disposal	153,192	423,512	-	-
Change in fair value of joint venture	20,308,619	3,174,895	4,176,291	(2,041,986)
Tax paid	132,412	85,722	-	-
<b>Working capital movements</b>				
(Increase)/decrease in debtors	(990,437)	583,205	(87,396)	5,763,022
(Decrease)/increase in creditors	(8,889,902)	13,329,264	368,144	(1,930,418)
	<b>26,713,688</b>	<b>57,323,359</b>	<b>1,286,139</b>	<b>7,668,831</b>
<b>Cash flows used in investing activities</b>				
Purchase of fixed assets	(20,329,882)	(73,173,928)	-	-
Purchase of investment properties	(1,184,274)	(6,429,435)	(1,184,274)	(6,429,435)
Finance lease additions	(3,310,175)	(1,988,622)	-	-
Contributions to investments in joint ventures	(1,487,077)	(5,340,543)	(1,346,100)	(176,550)
Contributions to investments in subsidiaries	-	-	(4,371,855)	(2,526,186)
Proceeds from fixed assets	989,336	444,296	-	-
Interest received	16,445	35,148	6,138	13,119
Dividends received	5,623,240	7,987,000	4,075,800	2,615,611
Increase in loan advance	(60,052,333)	(42,204,195)	(33,964,215)	(6,676,792)
	<b>(79,734,720)</b>	<b>(120,670,279)</b>	<b>(36,784,506)</b>	<b>(13,180,233)</b>
<b>Cash flows generated from financing activities</b>				
Interest paid	(45,659,495)	(75,420,316)	-	-
Proceeds from Partners	51,033,314	20,312,130	51,033,314	20,312,130
Distributions to Partners	(14,744,174)	(13,179,866)	(14,744,174)	(13,179,866)
Proceeds from borrowings	45,281,083	152,947,489	-	-
	<b>35,910,728</b>	<b>84,659,437</b>	<b>36,289,140</b>	<b>7,132,264</b>
<b>Net (decrease)/increase in cash at bank and in hand</b>	<b>(17,110,304)</b>	<b>21,312,517</b>	<b>790,773</b>	<b>1,620,862</b>
<b>Cash at bank and in hand at beginning of year</b>	<b>44,255,581</b>	<b>22,943,064</b>	<b>2,551,441</b>	<b>930,579</b>
<b>Cash at bank and in hand at end of year</b>	<b>27,145,277</b>	<b>44,255,581</b>	<b>3,342,214</b>	<b>2,551,441</b>

The notes on pages 24 to 63 form an integral part of these financial statements.

## **AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **1. General information**

Aviva Investors Infrastructure Income Limited Partnership (the "Partnership") and its subsidiaries (together the "Group") invest, directly into infrastructure in the United Kingdom. This will continue to be the principal activity of the Partnership for the foreseeable future.

The Partnership is registered as a limited partnership in England and Wales under the Limited Partnerships Act 1907 and its registered address is St Helen's, 1 Undershaft, London, EC3P 3DQ.

#### **2. Statement of compliance**

The Group and individual financial statements of the Partnership have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

#### **3. Accounting policies**

##### **3.1 Basis of preparation**

*These consolidated and separate financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of fixed assets at fair value through other comprehensive income, investment properties at fair value through profit and loss and investments in joint ventures at fair value through profit and loss.*

*The functional currency of the Group and the Partnership is considered to be pounds sterling because that is the currency of the primary economic environment in which the Group and Partnership operate. The consolidated financial statements are also presented in pounds sterling.*

*The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group and Partnership 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 4.*

##### **3.2 Basis of consolidation**

*The consolidated financial statements comprise the financial statements of the Partnership and its Group undertakings, as at 31 December 2020. The financial statements of the Group undertakings are prepared for the same reporting period as the parent company, using consistent accounting policies. The results of the subsidiaries acquired or sold are consolidated for the period from or to the date on which control passed. All intra-group balances, transactions, income and expenses with subsidiaries are eliminated on consolidation.*

*Investments in Group undertakings have been included in the Partnership financial statements at the original equity contribution value less any subsequent repayments of capital and any impairment.*

## AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 3. Accounting policies (continued)

##### 3.3 Going concern basis

The Group has net current liabilities of £50,792,741 (31 December 2019: £16,191,785). Included within this is interest on an unsecured loan amounting to £77,788,614 (31 December 2019: £45,055,518) from Aviva Investors Infrastructure Income Unit Trust (the "Unit Trust").

The Unit Trust has confirmed that it will not seek repayment of part or all of the amount loaned to the Group for at least twelve months from the date of approval of the Group financial statements. In order to cover any immediate shortfall, the Unit Trust can request drawdowns from commitments of investors and from available Revolving Credit Facilities. In addition, a letter of support has been provided by the Unit Trust.

For these reasons, the General Partner continues to adopt the going concern basis in preparing these financial statements.

##### 3.4 Turnover

Turnover comprises feed in tariffs ("FIT") revenue, service income, rental income under infrastructure lease agreements and grid power revenues. Turnover, except for finance lease income, is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Group and value added taxes.

##### 3.5 Administrative expenses

Administrative expenses include administration, finance, professional, management expenses and maintenance fees which are recognised on an accruals basis.

##### 3.6 Fund Manager fees

Under the terms of the Fund Manager's Agreement dated 17 May 2016 between the Partnership and Aviva Investors UK Fund Services Limited (the "Fund Manager"), the fund manager is entitled to an annual fee equivalent, calculated on a quarterly basis and payable quarterly in arrears.

##### 3.7 Interest receivable and similar income

Interest receivable is recognised in the Statements of Comprehensive Income using the effective interest rate method.

##### 3.8 Interest payable and similar expenses

Interest payable and similar expenses include loan facility interest which is recognised using the effective interest rate method.

##### 3.9 Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

The Partnership is not subject to taxation and no provision for taxation on Partnership profits has been made in the financial statements. Any tax on income or capital is the responsibility of the Group's underlying subsidiaries. The tax note disclosure is shown in Note 11.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**3. Accounting policies (continued)**

**3.10 Distributions**

Income produced by the Partnership is distributed to the Partners to the extent that the Partnerships income exceeds expenses, on a quarterly basis in accordance with the Partnership Deed. Where the distribution has been determined for the period, the amount is accounted for as a finance cost.

The General Partner and the Fund Manager are required to ensure that no distribution is made that would render the Partnership insolvent or unable to pay its expenses for the six month period following a distribution, having regard to the expected receipts of the Partnership.

**3.11 Financial instruments**

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

**(i) Financial assets**

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

Basic financial assets, including loan receivables, trade and other receivables, cash at bank and in hand are 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 the Statement of Comprehensive Income.

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 the Statement of Comprehensive Income.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets that are classified as receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be received, net of impairment.

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) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated party third without imposing additional restrictions.

## **AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **3. Accounting policies (continued)**

##### **3.11 Financial instruments (continued)**

###### **ii) Financial liabilities**

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Basic financial liabilities, including creditors and loan payable, are initially measured 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.

Commitments to make payments are measured at cost (which may be nil) less impairment.

Non-current debt instruments which meet the following conditions, are subsequently measured at amortised cost using the effective interest rate method:

a) Returns to the holder are (i) a fixed amount, or (ii) a fixed rate of return over the life of the instrument, or (iii) a variable return that, throughout the life of the instrument, is equal to a single reference quoted or observable interest rate, or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.

b) There is no contractual provision that could by its terms result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

c) Contractual provision that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.

Debt instruments that are classified as payable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

###### **(iii) Net investments in finance leases**

Investments in finance leases are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, investments in finance leases are accounted for at amortised cost.

###### **(iv) 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 release the asset and settle the liability simultaneously.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**3. Accounting policies (continued)**

**3.12 Goodwill**

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units ('CGU's') that are expected to benefit from the combination.

Goodwill is amortised over its expected useful life which is estimated to be 25 years reflecting the period for which the fixed assets acquired are expected to be revenue generating.

Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement.

**3.13 Dividends**

Dividends are recognised upon receipt. Equity dividends are recognised when they become legally payable.

**3.14 Fixed assets**

Fixed assets consist of investments in solar panel assets, medium scale wind assets, large scale wind assets and biomass assets. Fixed assets are initially recognised at cost and subsequently measured under the revaluation model. If an asset's carrying amount is increased as a result of a revaluation, the increase shall be recognised in other comprehensive income and accumulated in equity. However, the increase shall be recognised in the Statement of Comprehensive Income to the extent that it reverses a revaluation decrease of the same asset previously recognised in the Statement of Comprehensive Income. The decrease of an asset's carrying amount as a result of a revaluation shall be recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. If a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in the Statement of Comprehensive Income.

Depreciation is calculated as to write off the cost of an asset, less its estimated residual value, over the expected useful economic life of that asset as follows:

Wind assets	-	25 years straight line
Biomass assets	-	25 years straight line
PV Solar Installations	-	25 years straight line
PV Solar Inverter	-	12 years straight line

Depreciation is provided to write off wind assets and biomass assets once brought into productive use.

Fixed assets are derecognised on disposal or when no future economic benefits are expected. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and they are recognised in the statement of comprehensive income.

## AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 3. Accounting policies (continued)

##### 3.15 Investment property

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group, are classified as investment properties. Investment properties comprise freehold land, freehold buildings and land held under operating leases.

Investment properties are initially recorded at cost, including related transaction costs. Transaction costs include property transfer taxes, professional fees and initial leasing commissions to bring the property to the condition necessary for it to operate in the manner intended by the Partnership. Subsequent expenditure on major renovation and development of investment properties is capitalised at cost. The cost of maintenance, repairs and minor improvement are expensed when incurred.

*After initial recognition, investment properties are carried at fair value through profit and loss.*

Gains or losses arising from changes in the fair values are included in the Statement of Comprehensive Income in the year in which they arise under "Change in fair value of investment property".

Investment properties are derecognised when they have been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment properties are recognised in the Statement of Comprehensive Income in the year of retirement or disposal.

Gains or losses on the disposal of investment properties are determined as the difference between net disposal proceeds and the carrying value of the asset in the previous full period financial statements.

##### 3.16 Net investment in finance lease

Net investment in finance leases represents a forward funding arrangement, whereby the Group provides funding to a third party to build and operate energy centres on behalf of government bodies, with the asset transferred to them at the end of the lease term. This arrangement substantially transfers all the risks and benefits incidental to ownership of the asset to the third party and government bodies, and due to the legal form of the arrangement management recognise this asset as a net investment in finance lease, presenting them as a receivable at an amount equal to the net investment in the lease. The net investment in finance lease is the lessor's gross investment in the lease discounted at the interest rate implicit in the lease. The gross investment in the lease is the aggregate of the minimum lease payments receivable by the lessor under a finance lease.

##### 3.17 Jointly controlled assets

An asset is treated as a jointly controlled asset where the Group and Partnership are a party to a joint arrangement with a third party involving joint control, and joint ownership of the asset.

The Group and Partnership recognises in its financial statements its share of the joint assets, any liabilities that it has incurred directly and its share of any liabilities incurred jointly with the other venturers, income from the sale or use of its share of the output of the joint asset, its share of expenses incurred by the joint asset and expenses incurred directly in respect of its interest in the joint asset.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**3. Accounting policies (continued)**

**3.18 Impairment of non-financial assets**

At each balance sheet date, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a discount rate that represents the risk inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

**3.19 Investments in joint ventures**

An entity is treated as a joint venture where the Group and Partnership are a party to a contractual agreement with one or more parties from outside the Group and Partnership to undertake an economic activity that is subject to joint control.

In the Group and Partnership financial statements joint ventures which are considered to be part of an investment portfolio are initially measured at fair value, which is normally the transaction price. Such investments are subsequently carried at fair value and the changes in fair value are recognised in profit or loss.

**3.20 Investments in subsidiaries**

Investments in subsidiary undertakings are held at cost less impairment. Acquisition costs are capitalised as incurred and are included in the assets' carrying amount.

**3.21 Cash at bank and in hand**

Cash and cash equivalents comprise of deposits held on call with banks, which are immediately available.

**3.22 Intercompany borrowings**

Intercompany borrowings are recognised initially at their issue proceeds less transaction costs incurred. Subsequently, borrowings are stated at amortised cost with interest being accrued cyclically as defined in the facility agreements. Borrowing costs have been capitalised and are being amortised using the effective interest rate method over the life of the loan. Interest expense associated with intercompany borrowings is accounted for on an accruals basis.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**3. Accounting policies (continued)**

**3.23 Partners' accounts**

Partners' accounts consist of capital contributions and non interest bearing loans. The Partnership has classified the Partners' accounts as a financial liability based on the contractual arrangements within the Limited Partnership Agreement which require repayment of the net assets/liabilities upon winding up of the Partnership.

**3.24 Statement of Cash Flows**

The Group and Partnership report cash flows from operating activities using the indirect method. Finance costs are presented within the Statement of Cash Flows from financing activities. The acquisitions of investment properties, joint ventures, subsidiaries, finance leases, fixed assets and loans receivable are disclosed as cash flows from investing activities because this most appropriately reflects the Group and Partnership's business activities.

**3.25 Related party transactions**

The Group and Partnership disclose transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Directors, separate disclosure is necessary to understand the effect of the transactions on the Group and Partnership financial statements.

**3.26 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation where it is probable that the Group will be required to transfer economic benefits in settlement, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

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**3. Accounting policies (continued)**

**3.27 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Partnership and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**4. Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the Group and Partnership's consolidated financial statements requires the General Partner to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. The estimates and associated assumptions are based on historical experience, expectations of future events and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Group and Partnership's accounting policies, the General Partner has made the following judgements and estimates which have the most significant effect on the amounts recognised in the consolidated financial statements:

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**4. Critical accounting judgements and key sources of estimation uncertainty (continued)**

**4.1 Critical accounting estimates and assumptions**

**a. Valuation of fixed assets, investment property and joint ventures**

*The carrying value of the Group's fixed assets, investment properties and joint ventures represents an estimate of the fair value as at the reporting date. The determination of the fair value for fixed assets, investment properties and joint ventures requires the use of estimates such as future cash flows from assets (for instance, future power revenues, feed-in tariffs, lease payments and minimum service payments, capital values of fixtures and fittings, plant and machinery, any environmental matters, the overall repair and condition of the assets and fair value measurement of investment in joint ventures) and discount rates applicable to those assets. Consideration of current market discount rates applied in valuations and purchases of similar assets, taking into account the scale and sector has been made.*

The fixed assets, investment properties and joint ventures are valued to fair value as at 31 December 2020, using discounted cash flow analysis where a project's cash flows are forecast and subsequently discounted to present values at a rate that reflects the risk attached to the asset. The fixed assets, investment properties and joint ventures are valued by the Fund Manager, which has significant experience in the location and class of the fixed assets being valued. The Fund Manager on a quarterly basis provides KPMG UK LLP, professionally qualified financial advisors, with updates on each asset, including management reports before the discount rate that inputs into the discounted cash flow analysis is provided by KPMG UK LLP.

The valuation of these fixed assets, investment properties and joint ventures requires significant judgement by the Fund Manager due to the absence of quoted market values, inherent lack of liquidity and the long-term nature of such assets. The process of valuing investments in funds is inevitably based on inherent uncertainties and the resulting values will differ, perhaps materially, from the amounts ultimately realised.

**b. Impairment of investments in subsidiaries**

Investments in subsidiaries are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an assets net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

**c. Impairment of loans receivable**

Loans receivable are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an assets net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

**4.2 Critical accounting judgements and assumptions**

**a. Investments in joint ventures**

Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control. Judgement has been exercised in determining that the Partnership's and Group's investment in joint ventures meets the definition of joint control and the definition of 'a jointly controlled entity' under FRS 102 section 15.8.

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**4. Critical accounting judgements and key sources of estimation uncertainty (continued)**

**4.2 Critical accounting judgements and assumptions (continued)**

**a. Investments in joint ventures (continued)**

Assessing whether the Group controls Hooton Bio Power Limited requires judgement. The Group holds 55.8% of the voting rights but through a shareholder's agreement strategic matters such as approving business plan, financing and disposals of investments need to be approved by unanimous consent that, as per management judgement, indicates the investment is a joint venture. In the Group financial statements joint ventures are measured at fair value as part of an investment portfolio.

Assessing whether the Group and Partnership control Aviva Investors Infrastructure Income No.6 Limited requires judgement. The Group and Partnership hold 58.7% of the voting rights but through a shareholder's agreement strategic matters such as approving business plan, financing and disposals of investments need to be approved by 60% of the shareholding votes, which indicates that both shareholders need to agree on these decisions, that, as per management judgement, indicates the investment is a joint venture. In the Group and Partnership financial statements joint ventures are measured at fair value as part of an investment portfolio.

Assessing whether the Group controls RDF Energy No.1 Limited requires judgement. The Group holds 57.2% of the voting rights but through a shareholder's agreement strategic matters such as approving business plan, financing and disposals of investments need to be approved by unanimous consent that, as per management judgement, indicates the investment is a joint venture. In the Group financial statements joint ventures are measured at fair value as part of an investment portfolio.

Assessing whether the Group and Partnership control Aviva Investors Infrastructure Income No.7 Limited requires judgement. The Group and Partnership hold 64.10% of the voting rights but through a shareholder's agreement strategic matters such as approving business plan, financing and disposals of investments need to be approved by unanimous consent that, as per management judgement, indicates the investment is a joint venture. In the Group and Partnership financial statements joint ventures are measured at fair value as part of an investment portfolio.

**b. Loans receivable**

It should be noted that for certain loan receivables detailed in Note 17, whilst these transactions are legally structured as a lease, the accounting standards require the treatment of this as a loan receivable. There is judgement required to determine whether the accounting treatment and classification for these types of transactions as loan receivables is appropriate, with an assessment undertaken for each new lease entered into.

**5. Turnover**

	Group 1 Jan 2020 to 31 Dec 2020 £	Group 1 Jan 2019 to 31 Dec 2019 £	Partnership 1 Jan 2020 to 31 Dec 2020 £	Partnership 1 Jan 2019 to 31 Dec 2019 £
FIT and grid power revenue	74,746,353	61,693,495	-	-
Finance lease income	3,614,679	3,717,163	-	-
Rental income	3,473,298	3,004,162	3,295,940	2,945,449
	<b>81,834,330</b>	<b>68,414,820</b>	<b>3,295,940</b>	<b>2,945,449</b>

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**5. Turnover (continued)**

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	<b>Group</b>	<b>Group</b>	<b>Partnership</b>	<b>Partnership</b>
	<b>31 Dec 2020</b>	<b>31 Dec 19</b>	<b>31 Dec 2020</b>	<b>31 Dec 19</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Not later than 1 year	<b>3,947,001</b>	4,025,466	<b>3,947,001</b>	4,025,466
Later than 1 year and not later than 5 years	<b>15,603,123</b>	16,344,519	<b>15,603,123</b>	16,344,519
Later than 5 years	<b>40,137,252</b>	45,867,286	<b>40,137,252</b>	45,867,286
	<b>59,687,376</b>	66,237,271	<b>59,687,376</b>	66,237,271

**6. Administrative expenses**

	<b>Group</b>	<b>Group</b>	<b>Partnership</b>	<b>Partnership</b>
	<b>1 Jan 2020</b>	<b>1 Jan 2019</b>	<b>1 Jan 2020</b>	<b>1 Jan 2019</b>
	<b>to</b>	<b>to</b>	<b>to</b>	<b>to</b>
	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Auditors' fees - audit services*	<b>660,611</b>	262,648	<b>186,028</b>	94,950
Fund manager fees	<b>5,719,453</b>	5,228,469	<b>937,073</b>	540,040
Maintenance fees	<b>11,621,975</b>	6,302,842	-	-
Insurance	<b>847,957</b>	453,875	-	-
Bank charges	<b>57,061</b>	42,541	<b>83</b>	87
Legal fees	<b>826,829</b>	172,107	<b>140,262</b>	57,023
Professional fees	<b>1,112,973</b>	1,104,093	<b>382,896</b>	86,201
Administrator fees	<b>330,439</b>	297,032	<b>131,760</b>	134,095
Rental and accommodation charges	<b>3,403,562</b>	2,414,121	<b>255,852</b>	-
Property management fees	<b>16,899,364</b>	5,415,962	-	-
Property tax	<b>1,350,485</b>	1,355,047	-	-
Other administrative expenses	<b>2,542,006</b>	2,179,900	<b>256,595</b>	(1,803,174)
	<b>45,372,715</b>	25,228,637	<b>2,290,549</b>	(890,778)

\* The 2019 audit fee was significantly lower due to accruals of £250,000 in 2018, which were reversed in 2019 due to hive-ups.

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**7. Dividend received**

	Group 1 Jan 2020 to 31 Dec 2020 £	Group 1 Jan 2019 to 31 Dec 2019 £	Partnership 1 Jan 20 to 31 Dec 20 £	Partnership 1 Jan 2019 to 31 Dec 2019 £
Dividend received	<b>5,623,240</b>	<b>7,987,000</b>	<b>4,068,094</b>	<b>2,615,611</b>

**8. Interest receivable and similar income**

	Group 1 Jan 2020 to 31 Dec 2020 £	Group 1 Jan 2019 to 31 Dec 2019 £	Partnership 1 Jan 2020 to 31 Dec 2020 £	Partnership 1 Jan 2019 to 31 Dec 2019 £
Bank interest receivable	<b>16,445</b>	<b>35,148</b>	<b>6,138</b>	<b>13,119</b>
Interest received	<b>11,304,013</b>	<b>7,695,847</b>	<b>-</b>	<b>-</b>
Other interest receivable and similar income	<b>3,194,673</b>	<b>1,838,915</b>	<b>3,194,673</b>	<b>-</b>
	<b>14,515,131</b>	<b>9,569,910</b>	<b>3,200,811</b>	<b>13,119</b>

**9. Interest payable and similar expenses**

	Group 1 Jan 2020 to 31 Dec 2020 £	Group 1 Jan 2019 to 31 Dec 2019 £	Partnership 1 Jan 2020 to 31 Dec 2020 £	Partnership 1 Jan 2019 to 31 Dec 2019 £
Loan interest	<b>86,371,286</b>	<b>80,202,485</b>	<b>-</b>	<b>-</b>

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Partnership 2020 £</b>	<b>Partnership 2019 £</b>
Finance costs - distributions declared and paid	<b>13,928,324</b>	12,782,320	<b>13,928,324</b>	12,782,320
Declared distributions at 31 December	<b>828,121</b>	815,849	<b>828,121</b>	815,849
<b>Total amounts of distribution as per Statement of Comprehensive Income</b>	<b><u>14,756,445</u></b>	<u>13,598,169</u>	<b><u>14,756,445</u></b>	<u>13,598,169</u>

In accordance with the Partnership Agreement, distributions of net income have been allocated to the Partners in proportion to their ownership percentage for the year to which the distribution relates. At the year end the percentage holdings were:

Aviva Investors Infrastructure Income Unit Trust	99.99%
Aviva Investors Infrastructure GP Limited	0.01%

**11. Taxation**

	<b>Group 1 Jan 2020 to 31 Dec 2020 £</b>	<b>Group 1 Jan 2019 to 31 Dec 2019 £</b>
<b>Corporation tax</b>		
Current tax on loss for the year	<b><u>1,120,102</u></b>	<u>564,625</u>
<b>Deferred tax</b>	<b><u>1,997,934</u></b>	<u>746,572</u>
<b>Tax on loss</b>	<b><u><u>3,118,036</u></u></b>	<u><u>1,311,197</u></u>

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**11. Taxation (continued)**

The Partnership is not subject to taxation and no provision for taxation on Partnership losses has been made in the financial statements. Any tax on income or capital is the responsibility of each individual partner. All taxable income arises from the Holdcos and their subsidiaries. The table below relates to these Holdcos and subsidiaries.

	Group 1 Jan 2020 to 31 Dec 2020 £	Group 1 Jan 2019 to 31 Dec 2019 £
<b>Year ended 31 December</b>		
Loss before taxation	(103,072,503)	(63,486,932)
	<u>(103,072,503)</u>	<u>(63,486,932)</u>
Current charge at standard UK corporation tax rate of 19.00% (31 December 2019: 19.00%)	(19,583,774)	(12,062,516)
<b>Effects of:</b>		
Fixed asset differences	552,498	562,483
Expenses not deductible for tax purposes	16,741,385	3,859,112
Income not taxable for tax purposes	(9,336,316)	(4,148,760)
Capital gains	-	53,774
Amounts charged to STRGL or otherwise transferred	154,772	-
Share of partnership losses	-	1,791,952
Deferred tax not recognised in the year	19,789,808	10,367,799
Adjustments in respect of prior years	(192,541)	-
Adjustments in respect of prior years' deferred tax	119,835	(15,424)
Timing differences not recognised in computation	-	83,613
Change in tax rates	(4,032,397)	-
Adjust closing deferred tax to average rate	-	4,093,797
Adjust opening deferred tax to average rate	-	(2,979,564)
Adjustments to brought forward values	-	(125,413)
Other tax adjustments, reliefs and transfers	43	(78,207)
Other permanent differences	(1,512)	(91,449)
Other movements	(1,093,765)	-
<b>Total tax charged for the year</b>	<u><u>3,118,036</u></u>	<u><u>1,311,197</u></u>

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**11. Taxation (continued)**

**Factors that may affect future tax charges**

During 2020, the reduction in the UK corporation tax rate that was due to take effect from 1 April 2020 was cancelled and as a result, the rate has remained at 19%. There is no impact on the Company's net assets as a consequence of this amendment.

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. However, it is likely that the overall effect of the change, had it been substantively enacted by the balance sheet date, would be to increase the tax expense for the period by £984,643 and to increase the deferred tax liability by £2,582,897.

**Deferred Taxation**

**Provision for deferred tax**

	Group 2020 £	Group 2019 £
At 1 January	7,384,159	5,438,826
Income statement charge for this year	1,997,934	1,960,757
Deferred tax on goodwill	(1,202,920)	-
Amounts arising from prior year	-	(15,424)
<b>At 31 December</b>	<b>8,179,173</b>	<b>7,384,159</b>

The provision of deferred tax is made up of:

	Group 2020 £	Group 2019 £
Short term timing difference	(842,369)	(283,078)
Accelerated capital allowances	9,715,766	8,059,653
Tax losses carried forward	(694,224)	(392,416)
<b>Deferred tax liability</b>	<b>8,179,173</b>	<b>7,384,159</b>

Deferred tax assets of £55,593,916 (31 December 2019: £37,504,301) have not been recognised in these financial statements as there is insufficient evidence as to the availability of suitable profits in the foreseeable future.

The deferred tax balances in Note 11 have been calculated using the future tax rate in force at the balance sheet date, being 19% as at 31 December 2020 and 17% as at 31 December 2019. On 11 March 2020, the government announced that the Finance Act 2020 will increase the tax rate to 19% from 1 April 2020. Applying the revised tax rate had the effect of increasing the net recognised deferred tax liability position by £4,032,397.

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**12. Intangible assets**

**Group**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 January 2020	<b>3,474,638</b>
At 31 December 2020	<b>3,474,638</b>
<b>Amortisation</b>	
At 1 January 2020	<b>300,056</b>
Impairment charge	<b>3,174,582</b>
At 31 December 2020	<b>3,474,638</b>
<b>Net book value</b>	
At 31 December 2020	<b>-</b>
At 31 December 2019	<b>3,174,582</b>

Goodwill has been assessed for impairment by management and an impairment charge of £3,174,582 (31 December 2019: £Nil) has been recognised in the Statement of Comprehensive Income.

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**13. Fixed assets and investment property**

Group Fixed assets	Medium scale wind				Large scale wind	Biomass	Total
	Solar panel investments	investments	investments	investments	investments	investments	
	£	£	£	£	£	£	£
<b>Valuation at 1 January 2019</b>	326,087,427	56,896,134	223,516,950	141,891,757	748,392,268		
Additions during the year	23,155,435	12,604,254	230,397	38,167,392	74,157,478		
Disposals during the year	(867,808)	-	-	-	(867,808)		
Depreciation	(15,264,705)	(3,180,954)	(8,966,999)	-	(27,412,658)		
Change in fair value of fixed assets (other comprehensive income)	4,682,252	(1,441,169)	(3,475,375)	3,144,367	2,910,075		
<b>Valuation at 31 December 2019</b>	<b>337,792,601</b>	<b>64,878,265</b>	<b>211,304,973</b>	<b>183,203,516</b>	<b>797,179,355</b>		
<b>Valuation at 1 January 2020</b>	337,792,601	64,878,265	211,304,973	183,203,516	797,179,355		
Additions during the year	866,774	2,623,216	-	16,839,892	20,329,882		
Disposals during the year	(2,345,448)	-	-	-	(2,345,448)		
Depreciation	(16,123,575)	(2,661,085)	(8,479,450)	(5,297,205)	(32,561,315)		
Change in fair value of fixed assets (other comprehensive income)	14,170,554	(1,915,985)	(7,443,222)	24,943,522	29,754,869		
<b>Valuation at 31 December 2020</b>	<b>334,360,906</b>	<b>62,924,411</b>	<b>195,382,301</b>	<b>219,689,725</b>	<b>812,357,343</b>		

The fixed assets have been revalued based on an internal discounted cash flow model. The carrying amounts that would have been recognised under the cost model amounts to £306,261,978 (31 December 2019: £306,757,101) in relation to Solar Panel Investments, £71,626,169 (31 December 2019: £69,002,954) in relation to Medium Scale Wind Investments, £189,789,494 (31 December 2019: £189,789,494) in relation to Large Scale Wind Investments, and £229,712,161 (31 December 2019: £214,292,963) in relation to Biomass Investments.

The accumulated depreciation as at 31 December 2020 amounts to £90,851,127 (31 December 2019: £74,727,552) in relation to Solar Panel Investments, £9,208,753 (31 December 2019: £6,547,668) in relation to Medium Scale Wind Investments, £31,820,891 (31 December 2019: £23,341,441) in relation to Large Scale Wind Investments, and £5,297,205 (31 December 2019: £Nil) in relation to Biomass Investments.

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**13. Fixed assets and investment property (continued)**

**Group**

**Investment property**

	2020	2019
	£	£
Valuation at 1 January	40,925,470	33,914,341
Additions during the year	1,184,274	6,429,435
Change in fair value of investment property	(2,347,050)	581,694
Valuation at 31 December	<u>39,762,694</u>	<u>40,925,470</u>

**Partnership**

	2020	2019
	£	£
Valuation at 1 January	40,925,470	33,914,341
Additions during the year	1,184,274	6,429,435
Change in fair value of investment property	(2,347,050)	581,694
Valuation at 31 December	<u>39,762,694</u>	<u>40,925,470</u>

The investments are revalued to their fair value using internal valuation models based on discounted cash flows of each asset. If investment property were stated on the historical cost basis, the amounts would be as follows:

	31 Dec 2020	31 Dec 2019
	£	£
Infrastructure Lease Investments	<u>35,131,078</u>	<u>33,946,804</u>

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The table below shows the results of Management's evaluation of the sensitivity of the Level 3 fair value of investments at 31 December to changes in unobservable inputs to a reasonable alternative:

**Group**

	Fair value	Change in fair value		
		Unobservable input	+25bps	+50bps
	£		£	£
Fixed assets	812,357,343	Discount rate	795,178,223	777,682,446
Investment property	39,762,694	Discount rate	39,482,108	38,547,164
Net investment in finance leases	52,315,523	Discount rate	52,315,523	52,315,523
Investments in joint ventures	57,636,118	Discount rate	53,099,886	49,672,097
Loan receivable	221,890,406	Discount rate	219,975,750	217,021,576
	<b>1,183,962,084</b>		<b>1,160,051,490</b>	<b>1,135,238,806</b>

**Partnership**

	Fair value	Change in fair value		
		Unobservable input	+25bps	+50bps
	£		£	£
Investment property	39,762,694	Discount rate	39,482,108	38,547,164
Investments in joint ventures	1,311,770	Discount rate	838,384	364,998
Investments in subsidiaries	58,341,090	Discount rate	58,341,090	58,341,090
Loan receivable	69,203,541	Discount rate	69,203,541	65,042,878
	<b>168,619,095</b>		<b>167,865,123</b>	<b>162,296,130</b>

These amounts are not an estimate or a forecast of the impact of COVID-19 on the Group and Partnership property value. The analysis is designed solely to provide an indication of the impact of certain changes to the Group and Partnership's property value

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**14. Net investment in finance leases**

	2020 £	2019 £
<b>Group</b>		
As at 1 January	49,005,350	47,016,728
Additions during the year	3,310,173	1,988,622
<b>As at 31 December</b>	<b>52,315,523</b>	<b>49,005,350</b>
	<b>31 Dec 2020 £</b>	<b>31 Dec 2019 £</b>
Total amounts receivable	112,002,899	115,242,620
Less: interest allocated to future periods	(59,687,376)	(66,237,270)
<b>Net investment in finance leases</b>	<b>52,315,523</b>	<b>49,005,350</b>
Not later than 1 year	(629,847)	(3,960,152)
Later than 1 year and not later than 5 years	2,536,345	1,568,169
Later than 5 years	50,409,025	51,397,333
<b>Net investment in finance leases</b>	<b>52,315,523</b>	<b>49,005,350</b>

On 27 February 2014, the Aviva Investors Energy Centres No.1 Limited Partnership ("Energy Centres") entered into a Construction Agency Agreement to design, construct and install Energy facilities at Cheltenham Hospital. The cash flows associated with this agreement have been built into the finance, lease model. This has resulted in a debtor of £74,949 (31 December 2019: £61,601) due within one year and a debtor greater than one year of £1,997,443 (31 December 2019: £2,095,143).

On 18 June 2015, Energy Centres entered into an agreement for the construction of an energy centre in Oxford to be utilised by Oxford University Hospitals National Health Service Trust. The cash flows associated with this agreement have been built into a finance lease model. This has resulted in a creditor of £77,572 (31 December 2019: £121,734) due within one year and a debtor greater than one year of £15,460,574 (31 December 2019: £15,442,341).

On 29 July 2015, Energy Centres entered into an agreement for the construction of an energy centre to be utilised by Tayside NHS healthcare services in Dundee and Perth areas in Scotland. The cash flows associated with this agreement have been built into a finance lease model. This has resulted in a creditor of £67,130 (31 December 2019: £118,925) due within one year and a debtor greater than one year of £15,859,669 (31 December 2019: £15,845,741).

On 29 December 2015, Energy Centres entered into an agreement for the construction of an energy centre to be utilised by Grampian NHS healthcare services. The cash flows associated with this agreement have been built into a finance lease model. This has resulted in a creditor of £44,993 (31 December 2019: £73,045) due within one year and a debtor greater than one year of £9,206,759 (31 December 2019: £9,213,667).

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FOR THE YEAR ENDED 31 DECEMBER 2020****14. Net investment in finance leases (continued)**

On 24 May 2017, Energy Centres entered into an agreement for the construction of an energy centre for NHS Gloucestershire. The cash flows associated with this agreement have been built into a finance lease model. This has resulted in a debtor of £208,765 (31 December 2019: £178,058) due within one year and a debtor greater than one year of £4,514,101 (31 December 2019: £4,751,179).

On 7 January 2019, the Partnership entered into an agreement for the construction of an energy centre to be utilised by Coventry NHS healthcare services. The cash flows associated with this agreement have been built into a finance lease model. This has resulted in a creditor of £723,866 (31 December 2019: £3,886,107) due within one year and a debtor greater than one year of £5,906,824 (31 December 2019: £5,617,431).

The net figure of £52,315,523 (31 December 2019: £49,005,350) has been included in the Consolidated Statement of Financial Position.

**15. Investments in joint ventures**

	<b>Group</b>	<b>Group</b>	<b>Partnership</b>	<b>Partnership</b>
	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Investment in Fred. Olsen CBH Limited <sup>1a</sup>	<b>53,763,820</b>	63,858,068	-	-
Investment in Hooton Bio Power Limited <sup>2b</sup>	<b>331,349</b>	3,081,825	-	-
Investment in Aviva Investors Infrastructure Income No.6 Limited <sup>2c</sup>	-	3,695,868	-	3,695,868
Investment in Aviva Investors Infrastructure Income No.6B Limited <sup>2d</sup>	<b>639,179</b>	446,093	<b>639,179</b>	446,093
Investment in RDF Energy No.1 Limited <sup>2e</sup>	<b>2,229,178</b>	5,375,805	-	-
Investment in Aviva Investors Infrastructure Income No.7 Limited <sup>2f</sup>	<b>672,591</b>	-	<b>672,591</b>	-
	<b>57,636,117</b>	76,457,659	<b>1,311,770</b>	4,141,961

(1) Address of the registered office: 2nd Floor, 36 Broadway, London, United Kingdom, SW1H 0BH.

(2) Address of the registered office: St Helen's, 1 Undershaft, London, United Kingdom, EC3P 3DQ.

(a) Nature of the business is that of a holding company. The Group owns a 49.00% interest in this undertaking.

(b) Nature of the business is that of Biomass energy. The Group owns a 55.80% interest in this undertaking.

(c) Nature of the business is that of investment. The Group owns a 58.70% interest in this undertaking.

(d) Nature of the business is that of investment. The Group owns a 32.10% interest in this undertaking.

(e) Nature of the business is that of Biomass energy. The Group owns a 57.20% interest in this undertaking.

(f) Nature of the business is that of investment. The Group owns a 64.10% interest in this undertaking.

All the above named companies are registered in England and Wales.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**15. Investments in joint ventures (continued)**

The details of the investments are as follows:

	Group 2020 £	Group 2019 £	Partnership 2020 £	Partnership 2019 £
<b>Fred. Olsen CBH Limited</b>				
Valuation at 1 January	63,858,068	72,196,641	-	-
Additions during the year	1,056	-	-	-
Change in fair value on investments in joint ventures	(10,095,304)	(8,338,573)	-	-
<b>Valuation at 31 December</b>	<b>53,763,820</b>	<b>63,858,068</b>	<b>-</b>	<b>-</b>
	Group 2020 £	Group 2019 £	Partnership 2020 £	Partnership 2019 £
<b>Hooton Bio Power Limited</b>				
Valuation at 1 January	3,081,825	403,275	-	-
Additions during the year	-	527,050	-	-
Change in fair value on investments in joint ventures	(2,750,476)	2,151,500	-	-
<b>Valuation at 31 December</b>	<b>331,349</b>	<b>3,081,825</b>	<b>-</b>	<b>-</b>
	Group 2020 £	Group 2019 £	Partnership 2020 £	Partnership 2019 £
<b>Aviva Investors Infrastructure Income No.6 Limited</b>				
Valuation at 1 January	3,695,868	1,692,095	3,695,868	1,923,425
Additions during the year	-	-	-	-
Change in fair value on investments in joint ventures	(3,695,868)	2,003,773	(3,695,868)	1,772,443
<b>Valuation at 31 December</b>	<b>-</b>	<b>3,695,868</b>	<b>-</b>	<b>3,695,868</b>

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****15. Investments in joint ventures (continued)**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Partnership 2020 £</b>	<b>Partnership 2019 £</b>
<b>Aviva Investors Infrastructure Income No.6B Limited</b>				
Valuation at 1 January	446,093	-	446,093	-
Additions during the year	-	176,550	-	176,550
Change in fair value on investments in joint ventures	193,086	269,543	193,086	269,543
<b>Valuation at 31 December</b>	<b>639,179</b>	<b>446,093</b>	<b>639,179</b>	<b>446,093</b>
	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Partnership 2020 £</b>	<b>Partnership 2019 £</b>
<b>RDF Energy No.1 Limited</b>				
Valuation at 1 January	5,375,805	-	-	-
Additions during the year	139,921	4,636,943	-	-
Change in fair value on investments in joint ventures	(3,286,548)	738,862	-	-
<b>Valuation at 31 December</b>	<b>2,229,178</b>	<b>5,375,805</b>	<b>-</b>	<b>-</b>
	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Partnership 2020 £</b>	<b>Partnership 2019 £</b>
<b>Aviva Investors Infrastructure Income No.7 Limited</b>				
Valuation at 1 January	-	-	-	-
Additions during the year	1,346,100	-	1,346,100	-
Change in fair value on investments in joint ventures	(673,509)	-	(673,509)	-
<b>Valuation at 31 December</b>	<b>672,591</b>	<b>-</b>	<b>672,591</b>	<b>-</b>

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
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**16. Investments in subsidiaries**

	<b>Partnership 31 Dec 2020 £</b>	<b>Partnership 31 Dec 2019 £</b>
<b>Partnership</b>		
Investment in Aviva Investors Infrastructure Income No.1 Limited <sup>1a</sup>	<b>2,898,232</b>	2,898,232
Investment in Aviva Investors Infrastructure Income No.2 Limited <sup>1a</sup>	-	-
Investment in Aviva Investors Infrastructure Income No.2B Limited <sup>1a</sup>	-	-
Investment in Aviva Investors Infrastructure Income No.3 Limited <sup>1a</sup>	-	-
Investment in Aviva Investors Infrastructure Income No.4A Limited <sup>1b</sup>	1	1
Investment in Aviva Investors Infrastructure Income No.4B Limited <sup>1b</sup>	1	1
Investment in Aviva Investors Infrastructure Income No.5 Limited <sup>1a</sup>	-	3,267,401
Investment in Aviva Investors Infrastructure Income MidCo 6.1 Limited <sup>1a</sup>	1	1
Investment in Aviva Investors Energy Centres No.1 Limited Partnership <sup>1a</sup>	<b>55,442,855</b>	51,277,634
	<b>58,341,090</b>	<b>57,443,270</b>

The above investments in subsidiaries represent at the end of the year the material interests of the Group. The Partnership has 100% shareholding of all of the above listed subsidiaries which is held through from incorporation.

(1) Address of the registered office: St Helen's, 1 Undershaft, London, United Kingdom, EC3P 3DQ

(a) Nature of the business is that of investment.

(b) Nature of the business is that of a Nominee.

The details of the investments are as follows:

	<b>Partnership 2020 £</b>	<b>Partnership 2019 £</b>
<b>Aviva Investors Infrastructure Income No.1 Limited</b>		
Cost at 1 January	<b>2,898,232</b>	2,898,232
<b>Historic cost of investment at 31 December</b>	<b>2,898,232</b>	<b>2,898,232</b>

The investment represents a 100% equity interest in Aviva Investors Infrastructure Income No.1 Limited (the "Holdco 1"). The Holdco was incorporated on 19 March 2012 in the United Kingdom.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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The Holdco 1 invests and owns 100% of the equity interests in the below mentioned companies:

<b>Company</b>	<b>Equity interest</b>	<b>Country of incorporation</b>	<b>Business activity</b>
HomeSun Limited <sup>2</sup>	100%	United Kingdom	Solar energy
HomeSun 2 Limited <sup>2*</sup>	100%	United Kingdom	Solar energy
HomeSun 3 Limited <sup>2*</sup>	100%	United Kingdom	Solar energy
HomeSun 4 Limited <sup>2*</sup>	100%	United Kingdom	Solar energy
HomeSun 5 Limited <sup>2*</sup>	100%	United Kingdom	Solar energy
EES Operations 1 Limited <sup>1</sup>	100%	United Kingdom	Solar energy
Free Solar (Stage 1) Limited <sup>2</sup>	100%	United Kingdom	Solar energy
Free Solar (Stage 2) Limited <sup>1</sup>	100%	United Kingdom	Solar energy
New Energy Residential Solar Limited <sup>2</sup>	100%	United Kingdom	Solar energy
Anesco Mid Devon Limited <sup>2</sup>	100%	United Kingdom	Solar energy
Anesco South West Limited <sup>2</sup>	100%	United Kingdom	Solar energy
TGHC Limited <sup>2</sup>	100%	United Kingdom	Solar energy
Freetricity South East Limited <sup>3</sup>	100%	United Kingdom	Solar energy
Norton Energy SLS Limited <sup>2</sup>	100%	United Kingdom	Solar energy
Renewable Clean Energy Limited <sup>1</sup>	100%	United Kingdom	Solar energy
Solar Clean Energy Limited <sup>1</sup>	100%	United Kingdom	Solar energy
Aviva Investors PIP Solar PV Limited Partnership <sup>1</sup>	100%	United Kingdom	Solar energy
Aviva Investors PIP Solar PV No.1 Limited <sup>1*</sup>	100%	United Kingdom	Solar energy
Electric Avenue Ltd <sup>1*</sup>	100%	United Kingdom	Solar energy
Spire Energy Ltd <sup>1*</sup>	100%	United Kingdom	Solar energy
Renewable Clean Energy 3 Limited <sup>1*</sup>	100%	United Kingdom	Solar energy
2015 Sunbeam Limited <sup>1*</sup>	100%	United Kingdom	Solar energy
WestCountry Solar Solutions Limited <sup>1*</sup>	100%	United Kingdom	Solar energy

(<sup>1</sup>) Address of the registered office: St Helen's, 1 Undershaft, London, United Kingdom, EC3P 3DQ.

(<sup>2</sup>) Address of the registered office: The Green, Easter Park, Benyon Road, Reading, RG7 2PQ.

(<sup>3</sup>) Address of the registered office: 1 Filament Walk, Suite 203, London, England, SW18 4GQ.

(\*) Ownership is held indirectly.

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**16. Investments in subsidiaries (continued)**

	Partnership 2020 £	Partnership 2019 £
<b>Aviva Investors Infrastructure Income No.2 Limited</b>		
Cost at 1 January	-	370,588
Additions during the year	-	-
Impairment of investment	-	(370,588)
<b>Historic cost of investment at 31 December</b>	<b>-</b>	<b>-</b>

The investment represents a 100% equity interest in Aviva Investors Infrastructure Income No.2 Limited (the "Holdco 2"). The Holdco was incorporated on 24 February 2015 in the United Kingdom.

The Holdco 2 invests and owns 100% of the equity interests in the below mentioned companies:

Company	Equity interest	Country of incorporation	Business activity
Medium Scale Wind No.1 Limited <sup>1</sup>	100%	United Kingdom	Wind energy

(<sup>1</sup>) Address of the registered office: St Helen's, 1 Undershaft, London, United Kingdom, EC3P 3DQ.

On 7 December 2020, ILI (Garelwood) Limited, ILI (Haywoodhead) Limited and Sunnyside 1 Wind Turbine Ltd were dissolved. On 9 December 2020, London & Cambridge Energy Limited was dissolved. On 21 December 2020, Coalville Wind Limited, PRE (Whitehill) Limited, Saunton Wind Limited, Stafford Wind Limited and Sunnyside 2 Wind Turbine Limited were dissolved. As at 31 December 2019, the Company indirectly held 100% of their ordinary share capital.

	Partnership 2020 £	Partnership 2019 £
<b>Aviva Investors Infrastructure Income No.2B Limited</b>		
Cost at 1 January	-	-
Additions during the year	26,000	147,000
Impairment of investment	(26,000)	(147,000)
<b>Historic cost of investment at 31 December</b>	<b>-</b>	<b>-</b>

The investment represents a 100% equity interest in Aviva Investors Infrastructure Income No.2B Limited (the "Holdco 2B"). The Holdco was incorporated on 31 July 2017 in the United Kingdom.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****16. Investments in subsidiaries (continued)**

The Holdco 2B invests in the below mentioned companies:

Company	Equity interest	Country of incorporation	Business activity
Medium Scale Wind No.2 Limited <sup>2</sup>	100%	United Kingdom	Wind energy
Carswell Hill Limited <sup>3a</sup>	100%	United Kingdom	Wind energy
Protricity Limited <sup>1</sup>	100%	United Kingdom	Wind energy
Cara Renewables Limited <sup>1</sup>	100%	United Kingdom	Wind energy
Niro Renewables Limited <sup>1</sup>	100%	United Kingdom	Wind energy

(<sup>1</sup>) Address of the registered office: St Helen's, 1 Undershaft, London, United Kingdom, EC3P 3DQ.

(<sup>2</sup>) Address of the registered office: Pitheavlis, Perth, Scotland, PH2 0NH.

(<sup>3</sup>) Address of the registered office: 30 Finsbury Square, London, England, EC2A 1AG.

(<sup>a</sup>) Company is in liquidation.

On 7 December 2020, ILI (Neilstonside) Limited and ILI (West Strathore Farm) Limited were dissolved. On 21 December 2020, Windlend (Leicestershire) Limited and Windlend (Southrigg) Limited were dissolved. As at 31 December 2019, the Company held 100% of their ordinary share capital.

	Partnership 2020 £	Partnership 2019 £
<b>Aviva Investors Infrastructure Income No.3 Limited</b>		
Cost at 1 January	-	-
Additions during the year	175,000	1,093,600
Impairment of investment	(175,000)	(1,093,600)
<b>Historic cost of investment at 31 December</b>	<b>-</b>	<b>-</b>

The investment represents a 100% equity interest in Aviva Investors Infrastructure Income No.3 Limited (the "Holdco 3"). The Holdco was incorporated on 28 May 2015 in the United Kingdom.

The Holdco 3 invests in the below mentioned companies:

Company	Equity interest	Country of incorporation	Business activity
Biomass UK No.1 LLP <sup>1</sup>	100%	United Kingdom	Biomass energy
Biomass UK No.2 Limited <sup>1</sup>	100%	United Kingdom	Biomass energy
Biomass UK No.3 Limited <sup>1</sup>	100%	United Kingdom	Biomass energy
Biomass UK No.4 Limited <sup>1</sup>	100%	United Kingdom	Biomass energy
Sunrise Renewables (Hull) Limited <sup>1*</sup>	100%	United Kingdom	Dormant company
Boston Biomass Limited <sup>1*</sup>	100%	United Kingdom	Dormant company
Boston Wood Recovery Limited <sup>1*</sup>	100%	United Kingdom	Dormant company

(<sup>1</sup>) Address of the registered office: St Helen's, 1 Undershaft, London, United Kingdom, EC3P 3DQ.

(\*) Ownership is held indirectly.

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**16. Investments in subsidiaries (continued)**

	<b>Partnership 2020 £</b>	<b>Partnership 2019 £</b>
<b>Aviva Investors Infrastructure Income No.4A Limited</b>		
Cost at 1 January	1	1
Historic cost of investment at 31 December	<u>1</u>	<u>1</u>
	<b>Partnership 2020 £</b>	<b>Partnership 2019 £</b>
<b>Aviva Investors Infrastructure Income No.4B Limited</b>		
Cost at 1 January	1	1
Historic cost of investment at 31 December	<u>1</u>	<u>1</u>
	<b>Partnership 2020 £</b>	<b>Partnership 2019 £</b>
<b>Aviva Investors Infrastructure Income No.5 Limited</b>		
Cost at 1 January	3,267,401	3,267,401
Additions during the year	5,634	-
Impairment of investment	(3,273,035)	-
Historic cost of investment at 31 December	<u>-</u>	<u>3,267,401</u>

The investment represents a 100% equity interest in Aviva Investors Infrastructure Income No.5 Limited (the "Holdco 5"). The Holdco was incorporated on 29 April 2016 in the United Kingdom.

The Holdco 5 invests and owns 100% of the equity interests in the below mentioned companies:

<b>Company</b>	<b>Equity interest</b>	<b>Country of incorporation</b>	<b>Business activity</b>
Jacks Lane Energy Limited <sup>1</sup>	100%	United Kingdom	Wind energy
Woolley Hill Electrical Energy Limited <sup>1</sup>	100%	United Kingdom	Wind energy
Turncole Wind Farm Limited <sup>1</sup>	100%	United Kingdom	Wind energy
Den Brook Energy Limited <sup>1</sup>	100%	United Kingdom	Wind energy
Minnygap Energy Limited <sup>1</sup>	100%	United Kingdom	Wind energy

(<sup>1</sup>) Address of the registered office: St Helen's, 1 Undershaft, London, United Kingdom, EC3P 3DQ

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****16. Investments in subsidiaries (continued)**

	<b>Partnership 2020 £</b>	<b>Partnership 2019 £</b>
<b><i>Investment in Aviva Investors Infrastructure Income MidCo 6.1 Limited</i></b>		
Cost at 1 January	1	-
Additions during the year	-	1
<b>Historic cost of investment at 31 December</b>	<b>1</b>	<b>1</b>

	<b>Partnership 2020 £</b>	<b>Partnership 2019 £</b>
<b>Aviva Investors Energy Centres No.1 Limited Partnership</b>		
Cost at 1 January	51,277,634	49,992,049
Additions during the year	4,165,221	1,285,585
<b>Historic cost of investment at 31 December</b>	<b>55,442,855</b>	<b>51,277,634</b>

On 8 February 2013, the Partnership entered into a Limited Partnership Agreement to invest in Aviva Investors Energy Centres No.1 Limited Partnership with a total commitment of £18,000,000. The total commitment was increased to £31,999,990 on 2 December 2015 and to £49,999,990 on 30 November 2016.

The investment represents a 100% equity interest in Aviva Investors Energy Centres No.1 Limited Partnership. The Holdco was incorporated on 11 February 2013 in the United Kingdom.

**17. Loans receivable**

	<b>31 Dec 2020 £</b>	<b>31 Dec 2019 £</b>
<b>Group</b>		
Fred. Olsen CBH Limited	58,565,043	54,190,156
Hooton Bio Power Limited	124,136,177	81,061,944
RDF Energy No.1 Limited	18,213,005	12,984,400
Branston Solar Farm Limited	6,063,747	5,857,733
Herriard Bio Power Limited	4,731,190	-
Vital Energi (Drakelow) Limited	10,181,244	-
	<b>221,890,406</b>	<b>154,094,233</b>

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**17. Loans receivable (continued)**

In 2018, the Group entered into a loan facility with Fred. Olsen CBH Limited. The loan was utilised in one tranche with a maximum amount of £50,051,479 and bearing interest of 6.00% per annum. At the year end, £563,500 was drawn down (31 December 2019: £Nil). Interest of £3,811,386 (31 December 2019: £3,559,698) was capitalised during the year. The loan is unsecured and repayable in full on 30 June 2036.

In 2018, the Group entered into a loan facility with Hooton Bio Power Limited. The loan has a maximum amount of £88,000,000 and bears interest of 7.81% per annum. During the year, £20,410,937 was drawn down on the loan (31 December 2019: £23,369,321). An amount of £622,857 (31 December 2019: £786,155) representing RPI adjustment on the loan was capitalised during the year. The loan is unsecured and repayable in full on 31 December 2051.

In 2019, the Group entered into a loan facility with RDF Energy No.1 Limited. The loan has a maximum amount of £75,000,000 and bears interest of 8.61% per annum. During the year, £5,113,680 was drawn down on the loan (31 December 2019: £12,984,400) was drawn down on the loan. An amount of £114,925 (31 December 2019: £Nil) representing RPI adjustment on the loan was capitalised during the year.

	31 Dec 2020	31 Dec 2019
	£	£
<b>Partnership</b>		
Hooton Bio Power Limited	48,227,359	26,186,920
Branston Solar Farm Limited	6,063,747	5,857,733
Herriard Bio Power Limited	4,731,190	-
Vital Energi (Drakelow) Limited	10,181,245	-
	<u>69,203,541</u>	<u>32,044,653</u>

On 24 October 2018, the Partnership entered into an agreement to finance the construction of an energy plant to be utilised by Hooton Bio Power Limited. Whilst legally structured as a lease, the accounting standards require the treatment of this as a loan receivable. The outstanding balance is £48,227,359 (31 December 2019: £26,186,920), with further advances due as the project progresses. Repayment is over the life of the 33 year contract (see Note 22).

On 15 November 2019, the Partnership entered into an agreement to finance the construction of an energy plant to be utilised by Branston Solar Farm Limited. Whilst legally structured as a lease, the accounting standards require the treatment of this as a loan receivable. The outstanding balance is £6,063,747 (31 December 2019: £5,857,733), with further advances due as the project progresses. Repayment is over the life of the 40.5 year contract (see Note 22).

On 15 April 2020, the Partnership entered into an agreement to finance the construction of an energy plant to be utilised by Herriard Bio Power Limited. Whilst legally structured as a lease, the accounting standards require the treatment of this as a loan receivable. The outstanding balance is £4,731,190, with no further advances expected as the project is complete. Repayment is over the life of the 14 year contract.

On 27 January 2020, the Partnership entered into an agreement to finance the construction of an energy plant to be utilised by Vital Energi (Drakelow) Limited. This forms part of a joint controlled asset facility. Whilst legally structured as a lease, the accounting standards require the treatment of this as a loan receivable. The outstanding balance is £10,181,245, with further advances due as the project progresses. Repayment is over the life of the 33 year contract (see Note 22).

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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	<b>Group</b> <b>31 Dec 2020</b> £	<b>Group</b> <b>31 Dec 2019</b> £	<b>Partnership</b> <b>31 Dec 2020</b> £	<b>Partnership</b> <b>31 Dec 2019</b> £
Trade debtors	3,596,383	5,166,550	-	-
Amounts owed by related parties	203,295	167,525	219,102	329,915
VAT receivable	2,257,610	969,048	-	-
Other debtors	1,666,332	963,937	965,436	774,933
Accrued income	21,405,917	21,245,662	-	-
Prepayments	1,989,675	1,607,359	-	-
Interest receivable	12,166,932	5,420,779	-	-
	<b>43,286,144</b>	<b>35,540,860</b>	<b>1,184,538</b>	<b>1,104,848</b>

The amounts owed by related parties are unsecured, interest free, have no fixed date of repayments and are payable on demand.

**19. Creditors: amounts falling due within one year**

	<b>Group</b> <b>31 Dec 2020</b> £	<b>Group</b> <b>31 Dec 2019</b> £	<b>Partnership</b> <b>31 Dec 2020</b> £	<b>Partnership</b> <b>31 Dec 2019</b> £
Accounts payable	3,064,787	2,816,332	274,313	275,989
Interest payable	77,788,614	45,055,518	-	-
Amounts owed to related parties	-	-	891,805	1,009,028
Deferred income	5,215,631	5,093,362	1,318,917	938,023
Finance costs - distributions payable	828,121	815,849	828,121	815,849
Accruals	11,829,528	14,305,626	257,530	175,195
Other creditors	22,497,481	27,901,539	23,813	-
	<b>121,224,162</b>	<b>95,988,226</b>	<b>3,594,499</b>	<b>3,214,084</b>

The amounts owed to related parties are unsecured, interest free, have no fixed date of repayments and are payable on demand.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****20. Creditors: amounts falling due after more than one year**

	Group 31 Dec 2020 £	Group 31 Dec 2019 £	Partnership 31 Dec 2020 £	Partnership 31 Dec 2019 £
Senior Loan (Tranche A)	740,494,572	706,877,409	-	-
Senior Loan (Tranche B)	337,018,951	317,504,294	-	-
	<u>1,077,513,523</u>	<u>1,024,381,703</u>	<u>-</u>	<u>-</u>

On 6 July 2012 Holdco 1 entered into an unsecured loan facility with Aviva Investors Infrastructure Income Unit Trust (the "Unit Trust"). The loan facility is unsecured and due to be repaid in full on 31 December 2026 and was utilised in two tranches: Tranche A facility with a maximum amount of £97,500,000 and bearing interest of 4% per annum; Tranche B facility with a maximum amount of £31,200,000 and bearing interest of 8% per annum. On 3 May 2013 the Holdco entered into an amended agreement with the Unit Trust whereby the Unit Trust may elect to split the Facility between Tranche A and Tranche B as it deems appropriate on each drawdown, provided that the total amount of the Facilities shall not exceed £500,000,000.

On 13 March 2015, Holdco 1 and the Unit Trust entered into an amended loan facility agreement and extended the repayment date of the loan to 31 December 2040.

On 13 March 2015 the Unit Trust entered into an agreement with the Holdco 2, whereby the Unit Trust has made loan facilities available to the Holdco 2 in two tranches. Tranche A and Tranche B bear interest at 5% and 8.5% per annum respectively. Interest is payable on a quarterly basis. The loan will be adjusted on each interest payment date, increasing the loan to an amount equal to the value of the loan multiplied by the Index Ratio in accordance with Section 5 of the loan agreement. The Index Ratio increase is recognised as loan interest income in the Statement of Comprehensive Income. The loan is unsecured and is repayable on 31 December 2040. The Trust may elect to split the Facility between Tranche A and Tranche B as it deems appropriate on each drawdown, provided that the total amount of the Facilities shall not exceed £500,000,000.

On 7 August 2015 the Unit Trust entered into an agreement with the Holdco 3, whereby the Unit Trust has made loan facilities available to the Holdco 3 by way of either a Tranche A loan or a Tranche B loan, provided that the total amount of the Facilities shall not exceed £500,000,000. The Trust may elect to split the Facility between the Tranche A Facility and the Tranche B Facility as it deems appropriate on each drawdown. Tranche A and Tranche B bear interest at 9.19% and 11.94% per annum respectively. Interest is payable on a quarterly basis. The Tranche A loan will be adjusted on each interest payment date, increasing the loan to an amount equal to the value of the loan multiplied by the Index Ratio in accordance with Section 5 of the loan agreement. The Index Ratio increase is recognised as loan interest income in the Statement of Comprehensive Income. The loan is unsecured and is repayable on 31 December 2045.

On 17 May 2016 the Unit Trust entered into an agreement with the Holdco 5, whereby the Unit Trust has made loan facilities available to the Holdco 5 by way of either a Tranche A loan or a Tranche B loan, provided that the total amount of the Facilities shall not exceed £1,000,000,000. The Trust may elect to split the Facility between the Tranche A Facility and the Tranche B Facility as it deems appropriate on each drawdown. Tranche A and Tranche B bear interest at 4.25% and 8.25% per annum respectively. Interest is payable on a quarterly basis. The Tranche A loan will be adjusted on each interest payment date, increasing the loan to an amount equal to the value of the loan multiplied by the Index Ratio in accordance with Section 5 of the loan agreement. The Index Ratio increase is recognised as loan interest income in the Statement of Comprehensive Income. The loan is unsecured and is repayable on 31 December 2045.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

On 1 November 2017 the Unit Trust entered into an agreement with the Holdco 2B, whereby the Unit Trust has made loan facilities available to the Holdco 2 in two tranches. Tranche A and Tranche B bear interest at 3% and 5.75% per annum respectively. Interest is payable on a quarterly basis. The loan will be adjusted on each interest payment date, increasing the loan to an amount equal to the value of the loan multiplied by the Index Ratio in accordance with Section 5 of the loan agreement. The Index Ratio increase is recognised as loan interest income in the Statement of Comprehensive Income. The loan is unsecured and is repayable on 31 December 2040. The Trust may elect to split the Facility between Tranche A and Tranche B as it deems appropriate on each drawdown, provided that the total amount of the Facilities shall not exceed £100,000,000.

**21. Analysis of net debt**

	At 1 January 2020 £	Cash flows £	Other non- cash changes £	At 31 December 2020 £
<b>Group</b>				
Cash at bank and in hand	44,255,581	(17,110,304)	-	27,145,277
Debt due within 1 year	(45,055,518)	45,659,495	(78,392,591)	(77,788,614)
Debt due after more than 1 year	(1,024,381,703)	(45,281,083)	(7,850,737)	(1,077,513,523)
	<u>(1,025,181,640)</u>	<u>(16,731,892)</u>	<u>(86,243,328)</u>	<u>(1,128,156,860)</u>
	At 1 January 2020 £	Cash flows £	Other non- cash changes £	At 31 December 2020 £
<b>Partnership</b>				
Cash at bank and in hand	2,551,441	790,773	-	3,342,214

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**22. Contingent liabilities and commitments**

The Group is in receipt of total claims of up to £95.1 million (31 December 2019: £95.1m) in relation to Biomass construction contracts. Evidence to attempt to substantiate those claims has been provided by the claimant and it is currently subject to expert and legal analysis on behalf of management to properly assess any potential liability. Due to the nature of the claims, the timing of resolution remains uncertain.

On 24 October 2018 the Partnership entered into the underlease agreement relating to Land at Hooton Park for 33 years. Under this project the Partnership is to provide the related SPV with approximately £62,886,500 of financing in four instalments. The first two instalments were finalised in 2018 totalling £24,960,000 (£25,065,000 as per contract).

The other two instalments are expected to be completed upon finalizing the Milestone Event number 12 of the project and upon its viability date. The third instalment was finalised in the third quarter of 2020 totalling £20,000,000. The amount of the fourth instalment £17,821,500 with the expected date of delivery being the fourth quarter of 2021.

On 11 November 2019 the Partnership entered into the underlease agreement relating to Land at Branston for 45 years. Under this project the Partnership is to provide the related SPV with approximately £19,400,000 of financing in two instalments. The first instalment was finalised in 2019 totalling £5,857,733 (£5,700,000 as per contract).

The final instalment of £13,700,000 has been paid during the first quarter of 2021.

On 27 January 2020 the Partnership entered into the underlease agreement relating to Land at Drakelow for 33 years. Under this project the Partnership is to provide the related SPV with approximately £26,560,000 of financing in two instalments. The first instalments was finalised in 2020 totalling £10,181,000. The amounts of the second instalment is £23,860,000 and of the third £2,700,000 with the expected date of delivery being 2020 and 2021, respectively.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**23. Net assets attributable to Partners**

	<b>Unit Trust 100%</b>	<b>Total 100%</b>
	<b>£</b>	<b>£</b>
<b>Proceeds from Partner</b>		
At 1 January 2020	137,950,808	137,950,808
Proceeds received	51,033,314	51,033,314
At 31 December 2020	<u>188,984,122</u>	<u>188,984,122</u>
<b>Profit and loss account</b>		
At 1 January 2020	(65,071,806)	(65,071,806)
Expense during the year	(76,435,670)	(76,435,670)
At 31 December 2020	<u>(141,507,476)</u>	<u>(141,507,476)</u>
<b>Net assets attributable to Partners at 31 December 2020</b>	<u>47,476,646</u>	<u>47,476,646</u>
<b>Net assets attributable to Partners at 31 December 2019</b>	<u>72,879,002</u>	<u>72,879,002</u>

The General Partner has 0.01% ownership. There are no net assets attributable to the General Partner.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**24. Related party transactions**

	2020 (Expenses paid)/income received this year £	2020 (Payable)/ receivable at year end £	2019 (Expenses paid)/income received this year £	2019 (Payable)/ receivable at year end £
<b>Group</b>				
Aviva Investors UK Fund Services Limited - fund management fees	(5,908,696)	(7,109,640)	(5,228,469)	(7,962,137)
Expenses paid on behalf of Aviva Investors Infrastructure GP Limited	-	79,215	-	76,269
Aviva Investors REaLM Energy Centres No.1 GP Limited	-	(7,314)	-	79,271
Aviva Investors Infrastructure Income Unit Trust - loan	-	(1,077,513,523)	-	(1,024,381,703)
Aviva Investors Infrastructure Income Unit Trust - loan interest	(86,249,343)	(77,788,614)	(80,026,282)	(45,055,518)
Aviva Investors Infrastructure Income Unit Trust	-	50,000	-	-
Distributions to Aviva Investors Infrastructure Income Unit Trust	(14,756,101)	(827,067)	(13,597,851)	(815,140)
Distributions to Aviva Investors Infrastructure GP Limited	(344)	(1,054)	(318)	(710)
Aviva Investors Infrastructure Income No.6 Limited - loan	-	-	(26,261)	-
Aviva Investors Infrastructure Income No.6 Limited	10,075	-	-	(9,573)
Hooton Bio Power Limited - loan	622,857	75,908,818	786,155	54,875,024
Hooton Bio Power Limited - loan interest	5,564,099	9,055,106	3,141,231	3,491,007
Hooton Bio Power Limited	-	943	-	-
Fred. Olsen CBH Limited - loan	-	58,565,043	-	54,190,157
Fred. Olsen CBH Limited - loan interest	3,798,112	1,858,302	3,698,243	1,871,576
Fred. Olsen CBH Limited - dividend	5,623,240	-	-	-
RDF Energy No.1 Limited - loan	114,925	18,213,005	-	12,984,400
RDF Energy No.1 Limited - loan interest	1,195,329	1,253,524	58,195	58,195
RDF Energy No.1 Limited	-	(5,514,070)	-	(11,723,432)
Country Broadband Holdings Limited - loan interest	-	-	12,022	-
	<b>(89,985,847)</b>	<b>(1,003,777,326)</b>	<b>(91,183,335)</b>	<b>(962,322,314)</b>

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

	2020 (Expenses paid)/income received this year £	2020 (Payable)/ receivable at year end £	2019 (Expenses paid)/income received this year £	2019 (Payable)/ receivable at year end £
<b>Partnership</b>				
Aviva Investors UK Fund Services Limited - fund management fees	(937,073)	(883,333)	(540,040)	(782,313)
Expenses paid on behalf of Aviva Investors Infrastructure GP Limited	-	79,215	-	65,474
Aviva Investors REaLM Energy Centres No.1 GP Limited	-	(7,314)	-	393
Distributions to Aviva Investors Infrastructure Income Unit Trust	(14,756,101)	(827,067)	(13,597,851)	(815,140)
Distributions to Aviva Investors Infrastructure GP Limited	(344)	(1,054)	(318)	(710)
Aviva Investors Infrastructure Income No.6 Limited	-	-	-	(9,573)
Hooton Bio Power Limited	-	943	-	-
	<b>(15,693,518)</b>	<b>(1,638,610)</b>	<b>(14,138,209)</b>	<b>(1,541,869)</b>

Aviva Investors UK Fund Services Limited receives fees as it acts as the Fund Manager for the Partnership.

The General Partner is entitled to a priority distribution of 0.01% of the net income from the Partnership. During the year the General Partner received £344 priority distributions (31 December 2019: £318).

As at 31 December 2020, the Group has an outstanding loan payable and interest payable to the Unit Trust amounting to £1,077,513,523 (31 December 2019: £1,024,381,703) and £77,788,614 (31 December 2019: £45,055,518) respectively (see Note 19 and 20 for further details).

The Directors received no emoluments for services to the Partnership for the financial year (31 December 2019: £Nil).

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**25. Financial instruments**

The carrying values of the Group and Partnership's financial assets and liabilities are summarised by category below:

		<b>Group</b> <b>31 Dec 2020</b> £	<b>Group</b> <b>31 Dec 2019</b> £	<b>Partnership</b> <b>31 Dec 2020</b> £	<b>Partnership</b> <b>31 Dec 2019</b> £
<b>Financial assets at fair value through profit or loss:</b>					
Investments in Joint Ventures	15	<b>57,636,117</b>	<b>76,457,659</b>	<b>1,311,770</b>	<b>4,141,961</b>
<b>Financial assets measured at amortised cost:</b>					
Net investment in finance leases	14	<b>52,315,523</b>	<b>49,005,350</b>	-	-
Loans receivable	17	<b>221,890,406</b>	<b>154,094,233</b>	<b>69,203,541</b>	<b>32,044,653</b>
Debtors: amounts falling due within one year	18	<b>39,038,859</b>	<b>32,964,453</b>	<b>1,184,538</b>	<b>1,104,848</b>
Cash at bank and in hand		<b>27,145,277</b>	<b>44,255,581</b>	<b>3,342,214</b>	<b>2,551,441</b>
		<b>340,390,065</b>	<b>280,319,617</b>	<b>73,730,293</b>	<b>35,700,942</b>
<b>Financial liabilities measured at amortised cost:</b>					
Creditors: amounts falling due within one year	19	<b>(116,008,531)</b>	<b>(90,894,864)</b>	<b>(3,594,499)</b>	<b>(3,214,084)</b>
Intercompany borrowings	20	<b>(1,077,513,523)</b>	<b>(1,024,381,703)</b>	-	-
		<b>(1,193,522,054)</b>	<b>(1,115,276,567)</b>	<b>(3,594,499)</b>	<b>(3,214,084)</b>

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****25. Financial instruments (continued)**

The Group and Partnership's income, expense, gains and losses in respect of financial instruments are summarised below:

		Group 1 Jan 2020 to 31 Dec 2020 £	Group 1 Jan 2019 to 31 Dec 2019 £	Partnership 1 Jan 2020 to 31 Dec 2020 £	Partnership 1 Jan 2019 to 31 Dec 2019 £
<b>Finance income and expense</b>					
Total interest income for financial assets at amortised cost	8	14,515,131	9,569,910	3,200,811	13,119
Total interest expense for financial liabilities at amortised cost	9	(86,371,286)	(80,202,485)	-	-
		<u>(71,856,155)</u>	<u>(70,632,575)</u>	<u>3,200,811</u>	<u>13,119</u>

**26. Parent and ultimate controlling undertaking**

The General Partner of the Partnership, Aviva Investors Infrastructure GP Limited, a company incorporated in Great Britain and registered in England and Wales.

The Partner's ultimate parent undertaking is Aviva Investors Infrastructure Income Unit Trust, which is registered in Jersey.

Aviva Investors Infrastructure Income Limited Partnership is both the largest and the smallest group of undertakings to consolidate these financial statements at 31 December 2020. The consolidated financial statements of Aviva Investors Infrastructure Income Limited Partnership are available on application to:

Aviva Company Secretarial Services Limited  
St Helen's  
1 Undershaft  
London  
EC3P 3DQ

**27. Events after the reporting period**

Events after the reporting period have been evaluated up to the date the audited financial statements were approved and authorised for issue by the General Partner of the Aviva Investors Infrastructure Income Limited Partnership and there are no events to be disclosed or adjusted for in these audited financial statements.

## AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP

### ADDITIONAL AIFMD DISCLOSURES - UNAUDITED FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Remuneration

In line with the requirements of the Alternative Investment Fund Managers Directive ("AIFMD"), Aviva Investors UK Fund Services Limited ("AIUKFSL") is subject to a remuneration policy which is reviewed annually and is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under AIFMD.

Aviva Investors' remuneration framework is based on a total reward approach and is designed to reflect the success or failure against a range of personal and company performance objectives.

There are four components of pay:

- Basic Salary – set within an appropriate market range, which is sufficient to allow the possibility, where performance so warrants, that an employee may receive no variable pay.
- Annual bonus – a discretionary short-term incentive plan where individuals may receive a bonus based on business and individual performance against targets. Where bonuses are equal to or greater than £75,000, a 3 year deferral with pro-rata vesting in Aviva funds and/or Aviva Group Plc shares occurs, following this a further holding period applies where regulation requires.

The extent to which each aspect of performance affects the overall payment level depends on the role and responsibilities of the individual. Performance is measured against a combination of individual, business unit, Aviva Investors and Group performance over an appropriate period.

- A rounded assessment of financial performance is made accounting for a range of financial considerations, including, but not limited to operating profit, investment performance and net flows. The assessment of Aviva Investors' financial performance is formed with reference to :
  - Actual results vs. prior period results
  - Actual results vs. agreed plans
  - Actual results relative to competitors
  - Actual results vs., and progress towards, our long-term target ambition.
- The remuneration of employees in Control Functions (defined as Risk, Compliance and Audit) is determined independently of the financial results of Aviva Investors in order to reinforce the independence of these functions.
- The non-financial considerations include consideration of risk, conduct, culture, customer and employee engagement metrics, with Aviva values clearly underpinning all our decisions.
- The Performance assessment does not encourage risk taking outside the Aviva Investors stated risk appetite and includes mechanisms by which performance against risk and conduct related measures has a significant impact on the availability and size of business and individual variable awards.

## AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP

### ADDITIONAL AIFMD DISCLOSURES - UNAUDITED FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Remuneration (continued)

- Through Aviva Investors' Global Reward Framework, all investment employees should support responsible investment and integrate ESG considerations into their investment processes, including the consideration of Sustainability Risk. ESG metrics and research are embedded in the investment process and form part of the investment scorecard and annual risk attestation. The Chief Investment Officers and investment desk heads consider how investment employees demonstrate their commitment to ESG processes as part of the determination of performance and pay outcomes.
- Long Term Incentive Awards (LTIA) – discretionary long-term incentive plan to align reward with long-term investment performance, Aviva Group and Shareholders, and with the additional intention to help retain key talent. Part of the long-term incentive plan is in Aviva Investors Funds and part is in Aviva Restricted Share Units (RSUs), for the AI CEO the RSUs have additional performance conditions of Total Shareholder Return and Solvency II Return on Equity. Vesting is after 3 years and awards for Identified Staff will be subject to a pre-vesting assessment of individual performance, behaviours, and alignment with the company values of Aviva Investors throughout the three-year performance period.
- Benefits in Kind – standard benefits are provided that are appropriate to the market.

Code Staff are not permitted to undertake personal hedging strategies in respect of any variable remuneration.

Aviva Investors believes in rewarding strong performance and achievement of our business and individual goals; however, the manner in which these goals are achieved is also important. We do not consider it appropriate to reward people who have engaged in inappropriate behaviour or conduct which is not in line with Aviva's values and variable pay awards are subject to the Aviva Group Malus and Clawback Policy. As such, Aviva may decide that a Deferred Award which has not vested will lapse wholly or in part if they consider that:

- the participant or their team has, in the opinion of the Directors, engaged in misconduct which ought to result in the complete or partial forfeit or repayment of their award;
- there has been, in the opinion of the Directors, a material failure of risk management by reference to Group risk management standards, policies and procedures, taking into account the proximity of the participant to the failure of risk management in question and the level of the participant's responsibility;
- there is, in the opinion of the Directors, a materially adverse misstatement of Aviva's or the participant's relevant business unit's financial statements for which the participant has some responsibility;
- the participant participated in or was responsible for conduct which resulted in significant, or potentially significant, loss(es) to their relevant business unit, Aviva or any member of the Aviva Group;
- the participant failed to meet appropriate standards of fitness and propriety;
- there is evidence of misconduct or material error that would justify, or would have justified, had the participant still been employed, summary termination of their contract of employment; or
- any other circumstances required by local regulatory obligations to which any member of the Group or business unit is subject.

**AVIVA INVESTORS INFRASTRUCTURE INCOME LIMITED PARTNERSHIP****ADDITIONAL AIFMD DISCLOSURES - UNAUDITED  
FOR THE YEAR ENDED 31 DECEMBER 2020****Remuneration (continued)**

The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its senior staff is in line with the risk policies and objectives of the Alternative Investment Funds ("AIF's") it manages, and takes into account the promotion of sound and effective risk management and the achievement of fair outcomes for all customers.

AIUKFSL has no employees but is a wholly owned subsidiary of Aviva Investors Holdings Limited. For the year to 31 December 2020, apportioned remuneration based on the time assessed to be spent on AIUKFSL AIFMD activity paid by Aviva Plc, the ultimate parent of AIUKFSL, to its senior management team, and Code Staff:

	Senior Management	Other Code Staff
Total Remuneration:	£1.4m	£1.3m
Of which, Fixed Remuneration:	31%	37%
Variable Remuneration:	63%	58%
Pension/Benefits:	6%	5%
Number of Code staff:	21	25

**Leverage**

Leverage as required to be calculated by the AIFM Directive.

Pursuant to its regulatory obligations, the General Partner is required to express the level which the Partnership's leverage will not exceed. For the purposes of this disclosure, leverage is any method by which the Partnership's exposure is increased beyond its holding of securities and cash. A partnership's exposure may be increased by using derivatives, by reinvesting cash borrowings, through securities lending or securities borrowing arrangements, or by such other means as may be permitted to be used pursuant to that partnership's investment objectives and strategy (such increase referred to herein as the "Incremental Exposure"). The AIFM Directive prescribes two methodologies for calculating overall exposure of a partnership: the "gross methodology" and the "commitment methodology". These methodologies are briefly summarised below but are set out in full detail in the AIFM Directive.

The commitment methodology takes account of the hedging and netting arrangements employed by a partnership at any given time (purchased and sold derivative positions will be netted where both relate strictly to the same underlying asset). This calculation of exposure includes all Incremental Exposure as well as the Partnership's own physical holdings and cash. By contrast, the gross methodology does not take account of the netting or hedging arrangements employed by a partnership. This calculation of exposure under the gross methodology includes all Incremental Exposure as well as the Partnership's own physical holdings, excluding cash.

The AIFM Directive requires each leverage ratio to be expressed as the ratio between a partnership's total exposure (including securities and cash) and its net asset value. Using the methodologies prescribed under the AIFM Directive, the Partnership is generally expected to be leveraged at the ratio of 1:1 using the commitment methodology and 1:1 using the gross methodology. The Partnership may, however, have higher levels of leverage, including in atypical and volatile market conditions. In such circumstances, leverage will not exceed the ratio of 2:1 using the commitment methodology and 2:1 using the gross methodology.