

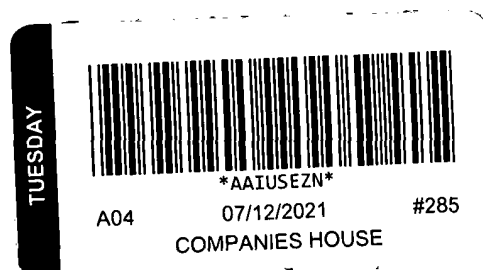
Registered number: 10208262

Amended

GFS Corporate Director II Limited

Financial statements

For the year ended 30 June 2018



GFS Corporate Director II Limited

Company Information

Directors	A C Norris E M Hughes
Company secretary	M J A Watts
Registered number	10208262
Registered office	Gallium House Unit 2 Station Court Borough Green Sevenoaks Kent TN15 8AD
Independent auditors	Kreston Reeves LLP Chartered Accountants & Statutory Auditor Third Floor 24 Chiswell Street London EC1Y 4YX

GFS Corporate Director II Limited

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GFS Corporate Director II Limited

Strategic report For the year ended 30 June 2018

Introduction

The directors present their strategic report for the year ended 30 June 2018.

Business review

GFS Corporate Director II Limited (the 'Investee') is party to the Northern Ireland Investment Fund's (the 'Fund') Operational Agreement and will act as the Investee to the Fund. The Investee will facilitate in investing £100,000,000 of HM Treasury's funds in to the Funds projects. The Fund has been set up with two objectives, the first being to address market failures in Northern Ireland and accelerate and increase investment in private sector led development, infrastructure and low carbon projects. The second to secure private and / or public sector leverage to achieve sustainable financial returns, maximize the impact of public sector intervention and deliver economic growth.

The Fund is a 15 year agreement running until 13th November 2032. At the 30th June 2018 HM Treasury had provided £40,000,000 to the Investee.

The results for the year are shown on pages 10-11. During the reporting year the Investee recognised a profit of 2018: £nil (2017: £nil). As at 30th June 2018 the Investee had current assets of £28,066,056, total assets of £40,515,930 and net current assets of £27,820,112.

As at 30th June 2018 the Investee had committed to 1 project. The Fund benefits from a first charge over all projects and a full valuation was obtained from 3rd party RICS-registered valuers at the point of underwriting. The first charge theoretically means that the value of the project would need to drop (100%-[ltv%]) before the fund was suffer a loss of capital.

More than half of the Funds loan (and sometimes all of the Funds loan) is the last element of funding into a project, thus protecting the Loan to Value further as investment of most of the funds are made at the point that construction is well progressed. The projects will always be fully funded before investments are made, and should this change during the development due to increased costs, the Borrower is required to make up any shortfall before further investment.

Financial key performance indicators

Operating profit margin 0% (2017 - 0%)

Net fee and commission income £492,740 (2017 - £nil)

Return on capital employed £nil (2017 - £nil)

Principal risks and uncertainties

The Company is exposed to liquidity risk, credit risk and interest rate risk. However, there are no external borrowings of the company, and therefore the liquidity and interest rate risks are not considered material.

The Company's principal financial assets are cash and trade receivables. Therefore, the Company's credit risk is primarily attributable to its trade receivables. The Company's approach to managing the credit risk is to monitor these trade receivables and make an allowance for impairment when there is objective evidence that the Company will not be able to collect all amounts according to the general terms of the receivables concerned.

The directors have identified that the issues arising from the activities of the appointed representatives have increased the operational risk. This has the potential to increase costs of professional advisers in the short term.

Pillar 3 disclosure will be made available upon request to GFS Corporate Director II Limited.

GFS Corporate Director II Limited

Strategic report (continued)
For the year ended 30 June 2018

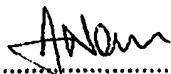
Other key performance indicators

The key non-financial performance indicator used to determine the progress and performance of the company is set out below;

- Client service

Performance indicators are reviewed by the management team in order to assess the progress of the company and we are pleased with the overall performance presented in this report.

This report was approved by the board and signed on its behalf.



.....
A C Norris
Director

Date: 15.12.20

GFS Corporate Director II Limited

Directors' report For the year ended 30 June 2018

The directors present their report and the financial statements for the year ended 30 June 2018.

Principal activity

The principal activity of the company is to act as an SPV to invest funding from the Department of Finance into projects in Northern Ireland. The projects are required to address market failures and accelerate and increase investment in private sector led development, infrastructure and low carbon projects to deliver economic growth.

Results and dividends

The profit for the year, after taxation, amounted to £NIL (2017 - £NIL).

No dividends were declared in the current or prior year.

Directors

The directors who served during the year were:

A C Norris

E M Hughes (appointed 10 November 2016)

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, Directors' report and the financial statements, in accordance with applicable law.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Future developments

The company plan to continue to act as an SPV to invest funding from the Department of Finance in to projects in Northern Ireland.

GFS Corporate Director II Limited

**Directors' report (continued)
For the year ended 30 June 2018
Financial instruments**

Price risk, credit risk, liquidity risk and cash flow risk

The company's activities expose it to a variety of financial risks; market risks, credit risks, liquidity risk and cash flow interest rate risk. The company's overall risk management programme focuses on the unpredictability of the marketplace and seeks to minimise potential adverse effects on the company's financial performance.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed 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.

Post year end events

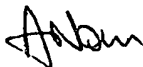
On 26th March 2020 the World Health Organisation declared COVID-19 a global pandemic and the UK has been put into lockdown twice following this announcement. The COVID-19 pandemic has affected both individuals and businesses. Global economies have been disrupted by the pandemic as countries enter into lockdown.

The directors have acknowledged the impact that COVID-19 could have on the company and are satisfied that it will not have a significant impact on the company's activities.

Auditors

The auditors, Kreston Reeves LLP, were appointed during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....
A C Norris
Director

Date: 15.12.20

GFS Corporate Director II Limited

Independent auditors' report to the members of GFS Corporate Director II Limited

Opinion

We have audited the financial statements of GFS Corporate Director II Limited for the year ended 30 June 2018 which comprise the Statement of profit or loss and other comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies set out on pages 15 - 16. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

GFS Corporate Director II Limited

Independent auditors' report to the members of GFS Corporate Director II Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

GFS Corporate Director II Limited

Independent auditors' report to the members of GFS Corporate Director II Limited (continued)

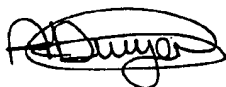
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Anne Dwyer BSc (Hons) FCA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

London

Date: 12 January 2021

GFS Corporate Director II Limited

**Statement of profit or loss and other comprehensive income
For the year ended 30 June 2018**

	Note	2018 £	13 month period ending 30 June 2017 £
Revenue	4	492,740	-
Gross profit		492,740	-
Administrative expenses		(521,960)	-
(Loss)/profit from operations		(29,220)	-
Finance income		29,220	-
Profit for the year		-	-

The above results were derived from continuing activities.

There were no recognised gains or losses for 2018 or 2017 other than those included in the Statement of Comprehensive Income.

There was no other comprehensive income for 2018 (2017 - £NIL).

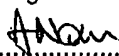
The notes on pages 14 to 23 form part of these financial statements.

GFS Corporate Director II Limited
Registered number: 10208262

Statement of financial position
As at 30 June 2018

	Note	2018 £	2017 £
Assets			
Non-current assets			
Trade and other receivables	6	12,449,874	-
		<u>12,449,874</u>	<u>-</u>
Current assets			
Trade and other receivables	6	4,998	1
Cash and cash equivalents	12	28,061,058	-
		<u>28,066,056</u>	<u>1</u>
Total assets		<u>40,515,930</u>	<u>1</u>
Liabilities			
Non-current liabilities			
Trade and other liabilities	7	269,985	-
Loans and borrowings	8	40,000,000	-
		<u>40,269,985</u>	<u>-</u>
Current liabilities			
Trade and other liabilities	7	245,944	-
		<u>245,944</u>	<u>-</u>
Total liabilities		<u>40,515,929</u>	<u>-</u>
Net assets		<u>1</u>	<u>1</u>
Issued capital and reserves			
Share capital	9	1	1
TOTAL EQUITY		<u>1</u>	<u>1</u>

The financial statements on pages 10 to 23 were approved and authorised for issue by the board of directors and were signed on its behalf by:


.....
A C Norris
Director

Date: 15.12.20

GFS Corporate Director II Limited

**Statement of changes in equity
For the year ended 30 June 2018**

	Share capital £	Total equity £
At 1 July 2016	-	-
Comprehensive income for the year		
Profit for the year	-	-
Other comprehensive income	-	-
	<u>-</u>	<u>-</u>
Total comprehensive income for the year		
Contributions by and distributions to owners		
Issue of share capital	1	1
	<u>1</u>	<u>1</u>
Total contributions by and distributions to owners	<u>1</u>	<u>1</u>
At 30 June 2017	<u>1</u>	<u>1</u>
At 1 July 2017	1	1
Comprehensive income for the year		
Profit for the year	-	-
Other comprehensive income	-	-
	<u>-</u>	<u>-</u>
Total comprehensive income for the year		
Contributions by and distributions to owners		
Total contributions by and distributions to owners	<u>-</u>	<u>-</u>
At 30 June 2018	<u>1</u>	<u>1</u>

The notes on pages 14 to 23 form part of these financial statements.

GFS Corporate Director II Limited

**Statement of cash flows
For the year ended 30 June 2018**

	2018 £	2017 £
Cash flows from operating activities		
Adjustments for		
Movements in working capital:		
Increase in other assets	(12,454,871)	-
Increase in trade and other payables	25,000	-
Increase in other liabilities	490,929	-
Cash generated from operations	(11,938,942)	-
Net cash (used in)/from operating activities	(11,938,942)	-
Cash flows from investing activities		
Cash flows from financing activities		
Proceeds from lenders	40,000,000	-
Net cash from financing activities	40,000,000	-
Net cash increase in cash and cash equivalents	28,061,058	-
Cash and cash equivalents at the end of the year	28,061,058	-

GFS Corporate Director II Limited

Notes to the financial statements For the year ended 30 June 2018

1. Reporting entity

GFS Corporate Director II Limited (the 'Company') is a limited company incorporated in England. The Company's registered office and principal place of business is at Gallium House, Unit 2 Station Court, Borough Green, Sevenoaks, Kent, TN15 8AD. The Company's principal activity is to act as an SPV to invest funding from the Department of Finance in to projects in Northern Ireland. The projects are required to address market failures and accelerate and increase investment in private sector led development, infrastructure and low carbon projects to deliver economic growth.

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs).

Details of the Company's accounting policies, including changes during the year, are included in note 3.

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

These financial statements are presented in pound sterling, which is the Company's functional currency. All amounts have been rounded to the nearest pound, unless otherwise indicated.

The comparative financial period was 13 months long and therefore results are not entirely comparable.

2.1 Basis of measurement

The financial statements have been prepared on the historical cost basis.

2.2 Changes in accounting policies

i) New standards, interpretations and amendments effective from 1 July 2017

During the financial year, there were no new IFRS or IFRIC interpretations that were effective for the first time that would be expected to have a material impact on the company.

The following pronouncements have been adopted in the year and either had no impact on the financial statements or resulted in changes to presentation and disclosure only:

IAS 12 (amendments) 'Recognition of deferred tax assets for unrealised losses', effective 1 January 2017

IAS 7 (amendments) 'Disclosure initiative', effective 1 January 2017

Annual Improvements (2014-2016); partially effective 1 January 2017.

**Notes to the financial statements
For the year ended 30 June 2018**

2. Basis of preparation (continued)

ii) New standards, interpretations and amendments not yet effective

The following new standards, interpretations and amendments, which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the Company's future financial statements:

IFRS 9 'Financial instruments' (2014); effective 1 January 2018

IFRS 15 'Revenue from contracts with customers'; effective 1 January 2018

IFRS 16 'Leases'; effective 1 January 2019

IFRIC 22 'Foreign currency transactions and advance consideration'; effective 1 January 2018

IFRIC 23 'Uncertainty over income tax treatments'; effective 1 January 2019.

The directors anticipate that the adoption of these Standards in future periods may have an impact on the results and net assets of the Company, however, it is too early to quantify this.

The directors anticipate that the adoption of other Standards and interpretations that are not yet effective in future periods will only have an impact on the presentation in the financial statements of the Company.

3. Accounting policies

3.1 Going concern

The directors have assessed the going concern status of the company and the financial statements have been prepared on a going concern basis. The company made a profit/(loss) in the year of £NIL, has net current assets of 2018: £27,820,111, and has cash at bank and in hand of £28,061,057 as at the year ended 30 June 2018.

The World Health Organisation declared COVID-19 a pandemic on 26 March 2020, the directors' have considered this and are satisfied that it has had little impact on GFS Corporate Director II Limited's activities. In particular the directors' have considered the recoverability of the debtors and are satisfied that all will be repaid in line with their original agreements.

3.2 Revenue

Revenue represents interest and commission receivable on loans advanced. Revenue is recognised in line with each loan agreement on an accruals basis in the profit and loss account.

3.3 Interest income

Bank interest income is recognised in the profit and loss account.

3.4 Trade and other receivables

Trade and other receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost.

**Notes to the financial statements
For the year ended 30 June 2018**

3. Accounting policies (continued)

3.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that after giving 35 days notice are readily convertible to known amounts of cash with insignificant risk of change in value.

3.6 Trade and other payables

Trade and other payables are recognised initially at the transaction price and subsequently measured at amortised cost.

3.7 Foreign currency

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting these financial statements, the assets and liabilities of the Company's foreign operations are translated into pounds using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

3.8 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

GFS Corporate Director II Limited

**Notes to the financial statements
For the year ended 30 June 2018**

4. Revenue

The following is an analysis of the Company's revenue for the year from continuing operations:

	2018 £	2017 £
Facilities agreement revenue	492,740	-
	<u>492,740</u>	<u>-</u>

Analysis of revenue by country of destination:

	2018 £	2017 £
United Kingdom	492,740	-
	<u>492,740</u>	<u>-</u>

Estimates and assumptions

There are no significant estimates or assumptions within revenue.

5. Finance income and expense

Recognised in profit or loss

	2018 £	2017 £
Finance Income		
Interest on:		
- Bank deposits	29,220	-
Total finance income	<u>29,220</u>	<u>-</u>
Net finance income/(expense) recognised in profit or loss	<u>29,220</u>	<u>-</u>

GFS Corporate Director II Limited

**Notes to the financial statements
For the year ended 30 June 2018**

6. Trade and other receivables

	2018 £	2017 £
Prepayments and accrued income	4,997	-
Unpaid share capital	1	1
Other receivables	12,449,874	-
Total trade and other receivables	12,454,872	1
Less: current portion - prepayments and accrued income	(4,997)	-
Less: current portion - unpaid share capital	(1)	(1)
Total current portion	(4,998)	(1)
Total non-current portion	12,449,874	-

All amounts within other receivables are wholly repayable within 5 years as at 30 June 2019 (not by monthly installments) and accrue interest at a rate of 4% plus the EU reference rate. The company has debentures in place creating fixed and floating security over the assets of the borrowers.

Repayments of other receivables fall due as follows:

	2018 £	2017 £
Within one year	-	-
Between 1-2 years	-	-
Between 2-5 years	12,449,874	-
	12,449,874	-

7. Trade and other payables

	2018 £	2017 £
Trade payables	25,000	-
Other payables	269,985	-
Accruals	220,944	-
Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	515,929	-
Less: current portion - trade payables	(25,000)	-
Less: current portion - accruals	(220,944)	-
Total current portion	(245,944)	-
Total non-current position	269,985	-

Other payables due in more than one year are amounts due to the Department of Finance which are repayable in line with the repayments of other receivables within note 6.

GFS Corporate Director II Limited

Notes to the financial statements For the year ended 30 June 2018

8. Loans and borrowings

	2018 £	2017 £
Non-current		
Other loan	40,000,000	-
	<u>40,000,000</u>	<u>-</u>
Current		
Total loans and borrowings	<u><u>40,000,000</u></u>	<u><u>-</u></u>

The carrying value of loans and borrowings classified as financial liabilities measured at amortised cost approximates fair value.

Loan Terms

The loan is repayable to the Department of Finance upon the receipt of the capital amounts within other receivables. The loan accrues intermediary fees at a rate of 1.58% per annum along with an annual fee of £100,000 per annum.

Security

a) In order to secure the liabilities owed by GFS Corporate Director II Limited the Investor, GFS Corporate Director II Limited has to:

i) create a first ranking charge (expressed as a fixed charge) over the accounts in the form of the Accounts Charge;

ii) create security in favour of the investor in respect of each equity investment and certain other related rights, in the form of the Share Security Agreement;

iii) execute the Assignment agreement and shall, in respect of each project loan agreement entered into between GFS Corporate Director II Limited and a final recipient, serve such notice of such assignment on, and obtain an acknowledgement from, each final recipient and shall deliver to the investor copies of such notice and acknowledgement within 5 business days of the date of each project loan agreement; and

iv) in respect of each project loan and equity investment, grant such additional security as may be deemed necessary by the investor and agreed with GFS Corporate Director II Limited as part of the approval process for the relevant project.

9. Share capital

Authorised, issued and partly paid

	2018 Number	2018 £	2017 Number	2017 £
Shares treated as equity				
Ordinary share shares of £1.00 each	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

GFS Corporate Director II Limited

**Notes to the financial statements
For the year ended 30 June 2018**

9. Share capital (continued)

Issued and partly paid

	2018 Number	2018 £	2017 Number	2017 £
Ordinary share shares of £1.00 each				
At 1 July and 30 June	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

10. Reserves

Share capital

Represents the nominal value of shares that have been issued.

Retained earnings

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to shareholders.

Notes to the financial statements
For the year ended 30 June 2018

11. Financial instruments - fair values and risk management

11.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

30 June 2018	Note	Carrying amount		
		Loans and receivables	Other financial liabilities	Total
		£	£	£
Financial assets measured at fair value				
		-	-	-
Financial assets not measured at fair value				
Trade and other receivables	6	12,449,876	-	12,449,876
		<u>12,449,876</u>	<u>-</u>	<u>12,449,876</u>
Financial liabilities measured at fair value				
		-	-	-
Financial liabilities not measured at fair value				
Secured loans	8	-	40,000,000	40,000,000
Trade payables	7	-	25,000	25,000
		<u>-</u>	<u>40,025,000</u>	<u>40,025,000</u>

GFS Corporate Director II Limited

**Notes to the financial statements
For the year ended 30 June 2018**

11. Financial instruments - fair values and risk management (continued)

11.1 Accounting classifications and fair values (continued)

30 June 2017	Note	Carrying amount	
		Loans and receivables £	Total £
Financial assets measured at fair value			
		-	-
Financial assets not measured at fair value			
Trade and other receivables	6	1	1
		1	1
Financial liabilities measured at fair value			
		-	-
Financial liabilities not measured at fair value			
		-	-

11.2 Financial risk management objectives

The company's activities expose it to a variety of financial risks; market risks, credit risks, liquidity risk, cash flow interest rate risk and fair value interest rate risk. The company's overall risk management programme focuses on the unpredictability of the marketplace and seeks to minimise potential adverse effects on the company's financial performance.

12. Notes supporting statement of cash flows

	2018 £	2017 £
Cash at bank available on demand	28,061,058	-
Cash and cash equivalents in the statement of financial position	28,061,058	-
Cash and cash equivalents in the statement of cash flows	28,061,058	-

13. Events after the reporting date

On 26th March 2020 the World Health Organisation (WHO) declared COVID-19 a global pandemic. The COVID-19 pandemic has caused a global health and economic crisis affecting both individuals and businesses. Global economies have been severely disrupted by the pandemic as countries enter lockdown. While the monetary impact of COVID-19 on GFS Corporate Director II Limited cannot be quantified, as at the date of signing the financial statements it is £nil.

GFS Corporate Director II Limited

**Notes to the financial statements
For the year ended 30 June 2018**

14. Controlling party

The ultimate controlling party is A C Norris by virtue of his shareholding.

GFS Corporate Director II Limited

**Detailed profit and loss account
For the year ended 30 June 2018**

	2018 £	2017 £
Turnover	492,740	-
Gross profit	492,740	-
Less: overheads		
Administration expenses	(521,960)	-
Operating loss	(29,220)	-
Finance income	29,220	-
Loss for the year	-	-

GFS Corporate Director II Limited

**Schedule to the detailed accounts
For the year ended 30 June 2018**

	2018 £	2017 £
Turnover		
Loan agreement fees	367,350	-
Loan commitment fees	33,547	-
Loan interest receivable	91,843	-
	<u>492,740</u>	<u>-</u>
	2018 £	2017 £
Administration expenses		
Bank charges	15	-
Amounts due to Department of Finance	269,985	-
CBRE - annual fee	63,150	-
CBRE - Performance fee	188,810	-
	<u>521,960</u>	<u>-</u>
	2018 £	2017 £
Finance income		
Bank interest receivable	29,220	-
	<u>29,220</u>	<u>-</u>