

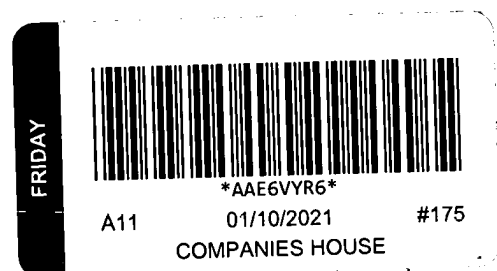
# UK GREEN INFRASTRUCTURE PLATFORM LIMITED

COMPANY NUMBER 10669600

Directors' Report and Financial Statements  
for the financial year ended 31 March 2021

The Company's registered office is:

C/O Alter Domus UK Limited  
18 St Swithun's Lane  
London, EC4N 8AD  
United Kingdom



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# UK Green Infrastructure Platform Limited

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# UK Green Infrastructure Platform Limited

Company Number 10669600

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## Directors' Report for the financial year ended 31 March 2021

In accordance with a resolution of the Directors (the "Directors") of UK Green Infrastructure Platform Limited (the "Company"), the Directors submit herewith the audited financial statements of the Company and Directors' report as follows:

As the Company meets the qualifying conditions under section 382 of the Companies Act 2006 (the "Act"), the Directors have taken advantage of the exemption provided in sections 414B (as incorporated into the Act by the Strategic Report and Directors' Report Regulations 2013) and 415A of the Act for the preparation of a Strategic Report.

### Directors and Secretaries

The Directors who each held office as a Director of the Company throughout the year and until the date of this report, unless disclosed otherwise, were:

Niall R Mackenzie	
Anthony J Poulter	
Paul A Norris	(resigned on 9 February 2021)
James Steer	(appointed on 15 September 2020)
Mark J Dooley	
Edward P Northam	
Peter R A Knott	
David A Sandford	(resigned on 20 May 2020)
Daniela Guzzardo	(appointed on 1 March 2021)

The Secretaries who each held office as a Secretary of the Company throughout the year and until the date of this report, unless disclosed otherwise, were:

Alter Domus (UK) Limited

### Principal activities

The principal activity of the Company during the financial year ended 31 March 2021 was to hold, manage and raise value from investments.

### Results

The profit for the financial year ended 31 March 2021 was £77,184k (2020: loss of £39,072k), primarily driven by £61,360k of upward revaluation of its shareholder investment.

In March 2020 the Directors considered there was a substantial risk due to COVID 19 impacting the UK renewables power market in terms of power prices and feedstock availability. Appropriate working practices were implemented and working remotely has been implemented where feasible throughout the financial year, but a risk remains for project and contractors' health and Force Majeure claims from operators.

### Dividends paid or provided for

During the current financial year, a dividend of £25,780 per ordinary share was paid on 10 December 2020 (2020: nil).

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# UK Green Infrastructure Platform Limited

Company Number 10669600

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## Directors' Report

for the financial year ended 31 March 2021 (continued)

### State of affairs

In October 2020 the Company sold its debt investment (Note 7).

In November 2020, the Company entered into an agreement to subscribe for an additional £3,007k commitment into its shareholder investment (Tilbury Green Power Holdings Limited ("Tilbury")) with the intention of delivering a return to shareholders. Of the total commitment, £1,504k was drawn on the agreement date. In early 2021 a sales process was initiated with the intention of disposing the Company's debt and equity investments in Tilbury. On 30 June 2021 the sales process completed and the entire holding was sold for a consideration of £72,333k. Refer to Note 7 for further details.

There were no other significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report.

The Directors have prepared the accounts on a going concern basis as per Note 2 'Summary of significant accounting policies' and have carried out a risk assessment on the principal risks facing the Company, including those that threaten its business model, future performance, solvency and liquidity.

### Likely developments, business strategies and prospects

Following the sale of the Company's shareholder investment in June 2021, the Company is looking to dissolve its last limited partnership investment (Note 7). The Directors will continue to monitor the Company's performance and remaining obligations.

### Indemnification and insurance of Directors

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial period and is currently in force.

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

The Directors are responsible for preparing the Directors' 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 101 "Reduced Disclosure Framework"), 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are 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.

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# UK Green Infrastructure Platform Limited

Company Number 10669600

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## Directors' Report

for the financial year ended 31 March 2021 (continued)

### Disclosure of information to auditors

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

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

### Independent auditors

Pursuant to section 487(2) of the Companies Act 2006, the auditors of the Company are deemed re-appointed for each financial year unless the Directors or the members of the Company resolve to terminate their appointment. As at the date of these financial statements the Directors are not aware of any resolution to terminate the appointment of the auditors.

On behalf of the Board



Niall Mackenzie

Director

14 September 2021

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# UK Green Infrastructure Platform Limited

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## Governance statement for the financial year ended 31 March 2021

### Introduction

The principal objective of the Company is to hold, manage and raise value from assets in accordance with its Articles of Association. The Company is ultimately owned and controlled by the Secretary of State for Business, Energy and Industrial Strategy ("BEIS") and is operated by the directors.

BEIS owns 90% of the share capital of the Company with UK Green Investment Bank Limited owning the remaining 10%.

This statement sets out the governance structure, risk management and internal control procedures that have been operating within the Company during the year to 31 March 2021.

### The Governance Structure

#### Board responsibilities

The board provides the general oversight of the Company and up to 31 March 2021 the board delegated the day-to-day operation of the business, in accordance with appropriate risk parameters, to UK Government Investments ("UKGI"), a company wholly owned by HM Treasury, and UK Green Investment Bank Limited ("UKGIB") a company outside the control of the UK government. The board monitors compliance with policy and achievement against objectives, by holding management accountable for its activities through regular updates. Management is required to update the board on a regular basis, giving the board the opportunity to understand and explore issues in depth as appropriate. In addition, the board is regularly updated by the Audit and Risk Assurance Committee that has been set up to identify, respond to and manage risks and controls.

During the financial year ended 31 March 2021, the board considered a wide range of issues, including:

- the financial position of the Company;
- the long-term plan for the Company;
- approving full-year results;
- considering further investment in assets held;
- considering opportunities for the realisation of assets; and
- discussing risk management and controls within the Company including oversight of the assets

The attendance of directors at board meetings held during the year ended 31 March 2021 was as follows:

Director	Board meetings attended
Niall R Mackenzie	31/33
Anthony J Poulter	32/33
Paul A Norris <sup>(b)</sup>	31/33
Daniela Guzzardo <sup>(b)</sup>	2/33
David A Sandford <sup>(b)</sup>	8/33
James Steer <sup>(b)</sup>	7/33
Mark J Dooley <sup>(a)</sup>	3/33
Edward P Northam <sup>(a)</sup>	22/33
Peter R A Knott <sup>(a)</sup>	31/33

<sup>(a)</sup> Mark J Dooley is the UK Green Investment Bank Limited-nominated director, with Edward P Northam and Peter R A Knott as alternates. Only one of these directors is required to be present (together with one BEIS-nominated director) to be quorate.

<sup>(b)</sup> Paul A Norris, Daniela Guzzardo, David A Sandford and James Steer were not directors for the full financial year.

## Governance statement

for the financial year ended 31 March 2021 (continued)

### Responsibility of the accounting officer

The Directors, and specifically the accounting officer of the Company, Niall R Mackenzie, have certain responsibilities. The primary responsibilities (in addition to those defined in the Companies Act 2006) are: to adhere to Chapter 3 of Managing Public Money, being responsible for safeguarding the public funds, for ensuring propriety and regularity in the handling of public funds, and for day to day operations and management of the Company. The Directors and the accounting officer of the Company also ensure that it is run on the basis of the standards, in terms of governance, decision making and financial management, that are detailed in Chapter 3.1 of Managing Public Money.

### Information received by the board and accounting officer

Written updates on the performance of the assets were provided by UKGI and UKGIB to the board, including the chair who is the accounting officer. The board considers that the written updates provided by the management team during the financial year were relevant, sufficient and timely to satisfy its purpose.

### Review of board's effectiveness

The board is currently comprised of four non-executive Directors, three of whom are senior officials within Government Departments or other public sector bodies, one being a representative of the Company's minority shareholder, UKGIB (with two alternate Directors) and one independent Director. It is considered that the size and experience of the board is appropriate given the nature of the company's operations.

### Compliance with Corporate Governance in Central Government Departments Code

The directors follow and comply with the principles detailed in the "Corporate governance in central government departments" code in so far as they are applicable to a company limited by shares incorporated under the Companies Act 2006.

### Risk management and internal control

The board attaches considerable importance to, and acknowledges its responsibility for, the Company's systems of internal control and risk management. The board's policy is to have systems in place which optimise the Company's ability to manage risk in an effective and appropriate manner. The board has delegated to UKGI and UKGIB the principal responsibilities for identifying, evaluating and monitoring risks facing the Company and the Board decides how these are to be managed.

These include on-going controls and review procedures in place to monitor the performance of the investment managers that continue to manage investments on behalf of the Company.

Given the specific nature of the Company, its principal risks and uncertainties during the year ended 31 March 2021 reside with the exposure to financial risks arising from its holdings of financial assets.

On behalf of the board



Niall Mackenzie  
Director  
14 September 2021

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# UK Green Infrastructure Platform Limited

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## Independent auditors' report to the members of UK Green Infrastructure Platform Limited

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### Opinion on financial statements

I have audited the financial statements of UK Green Infrastructure Platform Limited for the year ended 31 March 2021 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), as applied in accordance with the provisions of the Companies Act 2006.

In my opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of the loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the Companies Act 2006.

### Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), and applicable law. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the UK Green Infrastructure Platform Limited in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Material uncertainty related to going concern

Without modifying my opinion, I draw attention to Note 2 (ii) which indicates that the company is currently in the process of divesting its remaining investments. There is therefore a material uncertainty that UK Green Infrastructure Platform Limited will continue to trade in the long term.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included

- attending meetings or reading minutes of meetings of those charged with governance and the Board to understand management's current and future plans for UK Green Infrastructure Platform Limited;
- reviewing relevant documentation such as UK Green Infrastructure Platform Limited's Articles of Association and the Framework Document with the Department for Business, Energy and Industrial Strategy;
- enquiring of management of the timing of future plans and any preconditions for cessation of trade; and
- considering UK Green Infrastructure Platform Limited's ability to meet future obligations in light of current cash balances and expected ongoing operating expenses.

Through this work we confirmed management's assessment that cessation of trade was not sufficiently certain to mean that the going concern basis was inappropriate. Through our review of the financial position of UK Green Infrastructure Platform Limited, we were satisfied that it is able to meet its future obligations as they become due.

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

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# UK Green Infrastructure Platform Limited

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## Independent auditors' report to the members of UK Green Infrastructure Platform Limited (Continued)

### Other Information

The other information comprises information included in the Directors' Report and Governance Statement but does not include the financial statements and my auditor's report thereon. The directors are responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### Opinion on other matters prescribed by the Companies Act 2006

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

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

### Matters on which I report by exception

In the light of the knowledge and understanding of the UK Green Infrastructure Platform Limited and its environment obtained in the course of the audit, I have not identified material misstatements in the Directors' Report or Governance Statement.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' report; or
- I have not received all of the information and explanations I require for my 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 financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as directors determine is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- assessing UK Green Infrastructure Platform'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 entity or to cease operations, or has no realistic alternative but to do so.

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# UK Green Infrastructure Platform Limited

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## Independent auditors' report to the members of UK Green Infrastructure Platform Limited (Continued)

### Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with applicable law and International Standards on Auditing (ISAs) (UK).

My 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 a report that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- inquiring of management, UK Green Infrastructure Platform Limited parent's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to UK Green Infrastructure platform's policies and procedures relating to:
  - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - o the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including UK Green Infrastructure Platform Limited's controls relating to Companies Act 2006 and tax legislation.
- discussing among the engagement team and involving relevant internal specialists, including engagement with Corporate Finance specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals and valuation of UK Green Infrastructure Platform Limited's significant investment.
- obtaining an understanding of UK Green Infrastructure Platform Limited's framework of authority as well as other legal and regulatory frameworks that UK Infrastructure Platform Limited operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of UK Green Infrastructure Platform Limited. The key laws and regulations I considered in this context included Companies Act 2006, Managing Public Money, health and safety, environmental and tax legislation.

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# UK Green Infrastructure Platform Limited

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## Independent auditors' report to the members of UK Green Infrastructure Platform Limited (Continued)

### Auditor's responsibilities for the audit of the financial statements (continued)

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Audit Committee concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my report.

I 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 I identify during my audit.



**Susan Clark (Senior Statutory Auditor)**

**14 September 2021**

For and on behalf of the  
**Comptroller and Auditor General (Statutory Auditor)**  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

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# UK Green Infrastructure Platform Limited

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## Financial Statements

### Profit and loss account for the financial year ended 31 March 2021

	Note	2021 £'000	2020 £'000
Turnover	7	7,424	7,450
Other operating expenses	3	(413)	(626)
Administrative expenses	4	(681)	(187)
<b>Operating profit</b>		<b>6,330</b>	<b>6,637</b>
Interest payable	5	-	(79)
Gain/(loss) on revaluation of fair value investments	7	72,208	(45,630)
<b>Gain/(loss) on ordinary activities before taxation</b>		<b>78,538</b>	<b>(39,072)</b>
Tax charge on gain/(loss) on ordinary activities	6	(1,354)	-
<b>Gain/(loss) for the financial year</b>		<b>77,184</b>	<b>(39,072)</b>

The above profit and loss account should be read in conjunction with the accompanying notes on pages 15 to 25, which form an integral part of the financial statements.

Turnover and loss on ordinary activities before taxation relate wholly to continuing operations.

There were no other comprehensive income and expenses other than those included in the results above, and therefore no separate statement of comprehensive income has been presented.

# UK Green Infrastructure Platform Limited

## Balance sheet as at 31 March 2021

	Note	2021 £'000	2020 £'000
<b>Current assets</b>			
Investments	7	-	-
Assets classified as held for sale	7	70,288	-
Debtors	8	14	505
Cash		7,497	24,341
		<b>77,799</b>	<b>24,846</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	9	1,993	444
<b>Net current assets</b>		<b>75,806</b>	<b>24,402</b>
<b>Total assets less current liabilities</b>		<b>75,806</b>	<b>24,402</b>
<b>Net assets</b>		<b>75,806</b>	<b>24,402</b>
<b>Capital and reserves</b>			
Called up share capital	11	1	1
Share Premium reserve	11	-	-
Profit and loss account		75,805	24,401
<b>Total shareholders' funds</b>		<b>75,806</b>	<b>24,402</b>

The above balance sheet should be read in conjunction with the accompanying notes on pages 15 to 25, which form an integral part of the financial statements.

The financial statements on pages 11 to 24 were approved by the Board of Directors on 13 September 2021 and were signed on its behalf by:



Niall Mackenzie  
Director  
14 September 2021

# UK Green Infrastructure Platform Limited

## Statement of changes in equity for the financial year ended 31 March 2021

	Note	Called up share capital £'000	Profit and loss account £'000	Share premium account £'000	Total shareholders' funds £'000
Balance at 31 March 2019		1	(30,213)	93,686	63,474
Capital reduction	11	-	93,686	(93,686)	-
Loss for the financial year		-	(39,072)	-	(39,072)
Balance at 31 March 2020		1	24,401	-	24,402
Profit for the financial year		-	77,184	-	77,184
Dividends paid	10	-	(25,780)	-	(25,780)
Balance at 31 March 2021		1	75,805	-	75,806

The above statement of changes in equity should be read in conjunction with the accompanying notes on pages 15 to 25, which form an integral part of the financial statements.

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# UK Green Infrastructure Platform Limited

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## Notes to the financial statements for the financial year ended 31 March 2021

### Note 1. General information

The Company is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is C/O Alter Domus UK Limited, 18 St Swithin's Lane, London, EC4N 8AD.

### Note 2. Summary of significant accounting policies

#### i) Basis of preparation

The principal accounting policies adopted in the preparation of these financial statements have been consistently applied to all the periods presented, unless otherwise stated.

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101"). The financial statements have been prepared in accordance with the Companies Act 2006 and under the historical cost convention except for the financial instruments measured at fair value through profit or loss ("FVTPL") (Note 7).

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as a parent of a group. The Company is exempt under the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is included in full in the consolidated financial statements of its immediate parent, being the Secretary of State for Business, Energy and Industrial Strategy and ultimate parent, the UK Government.

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in FRS 101 which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRS").

In accordance with FRS 101 the Company has availed itself of an exemption from the following requirements of IFRS:

- The requirements of IAS 7 'Statement of Cash Flows';
- The requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D and 111 of IAS 1 'Presentation of Financial Statements' (additional comparative disclosures);
- The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- The requirements of paragraph 17 of IAS 24 'Related Party Disclosures' (key management compensation); and
- The requirements of IAS 24 to disclose related party transactions entered into between two or more members of a group where both parties to the transaction are wholly owned within the group.

As a financial institution, the Company is not exempt from applying the requirement of IFRS 7 'Financial Instruments: Disclosures' and IFRS 13 'Fair Value Measurement' in these financial statements.

#### Critical accounting estimates and significant judgements

The preparation of the financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The notes to the financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company and the financial statements such as:

- revaluation of investments held at fair value (Note 7).
- determining the appropriate business model for a group of financial assets.
- determining investment entity status.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

Management believes the estimates used in preparing the financial report are reasonable. Actual results in the future may differ from those reported and therefore it is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from our assumptions and estimates could require an adjustment to the carrying amounts of the reported assets and liabilities.

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# UK Green Infrastructure Platform Limited

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## Notes to the financial statements for the financial year ended 31 March 2021 (continued)

### Note 2. Summary of significant accounting policies

#### ii) Going concern

At the year-end, UKGIP held two investments as seen in Note 7 (a Limited Partnership and a Shareholder investment). The divestment of the Shareholder investment post balance sheet, as seen in Note 18, and ongoing dissolution of the Limited Partnership gives rise to a material uncertainty over the future of the Company as the Framework Document with its main shareholder, the Department for Business, Energy and Industrial Strategy, sets out that "The Board shall review the continued existence of UKGIP as appropriate and may make recommendations to the shareholders on whether (and when) to wind up UKGIP". Pending a Board decision and a plan for wind up of the Company, and due to the uncertainty over the timing of the dissolution of the remaining Limited Partnership, the Directors are of the opinion that cessation of the Company's trade is sufficiently uncertain for the foreseeable future. The Company has adequate resources to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing its financial statements.

#### iii) Turnover and expense recognition

##### *Turnover*

Turnover is measured at the fair value of the consideration received or receivable and consists of interest income from the Company's underlying investments. Should a provision be necessary against interest income recognised, this is considered as part of the Investment valuation in Note 7.

##### *Expenses*

Expenses are brought to account on an accruals basis and, if not paid at the end of the reporting period, are reflected in the balance sheet as a payable.

#### iv) Taxation

The principles of the balance sheet method of tax effect accounting have been adopted whereby the income tax expense for the financial year is the tax payable on the current year's taxable income adjusted for changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and unused tax losses.

Deferred tax assets are recognised when temporary differences arise between the tax bases of assets and liabilities and their respective carrying amounts which give rise to a future tax benefit, or when a benefit arises due to unused tax losses. In both cases, deferred tax assets are recognised only to the extent that it is probable that future taxable amounts will be available against which to utilise those temporary differences or tax losses. Deferred tax liabilities are recognised when such temporary differences give rise to taxable amounts that are payable in future periods. Deferred tax assets and liabilities are recognised at the tax rates expected to apply when the assets are recovered, or the liabilities are settled under enacted or substantively enacted tax law.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when there is a legally enforceable right to offset and an intention to either settle on a net basis or realise the asset and settle the liability simultaneously.

The Company exercises judgement in determining whether deferred tax assets, particularly in relation to tax losses, are recoverable.

The Company undertakes transactions in the ordinary course of business where the income tax treatment requires the exercise of judgement. The Company estimates the amount expected to be paid to/(recovered from) tax authorities based on its understanding of the law.

#### v) Financial instruments

##### *Recognition of financial instruments*

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

A financial instrument is initially recognised at fair value which has been adjusted for transaction costs that are incremental and directly attributable to the acquisition or issuance of the financial instrument (in the case of instruments not carried at FVTPL). Transaction costs relating to financial instruments carried at FVTPL are expensed in the profit and loss account.

## Notes to the financial statements for the financial year ended 31 March 2021 (continued)

### Note 2. Summary of significant accounting policies

#### v) Financial instruments (continued)

##### *De-recognition of financial instruments*

###### *Financial assets*

Financial assets are de-recognised from the balance sheet when:

- the rights to cash flows have expired; and
- the Company has transferred the financial asset such that it has transferred substantially all the risks and rewards of ownership of the financial asset.

In transactions where the Company neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, the asset is derecognised if control over the asset is lost. Any interest in the transferred and derecognised financial asset that is created or retained by the Company is recognised as a separate asset or liability. In transfers where control over the asset is retained, the Company continues to recognise the asset to the extent of its continuing involvement as determined by the extent to which it is exposed to changes in the value of the transferred asset.

###### *Financial liabilities*

Financial liabilities are de-recognised from the balance sheet when the Company's obligation has been discharged, cancelled or has expired.

Gains and losses arising from the derecognition of debt financial assets or financial liabilities that are measured at FVTPL are recognised as investment income as part of other operating income and expenses.

##### *Classification and subsequent measurement*

###### *Financial assets*

Financial assets are classified based on the business model within which the asset is held and on the basis of the financial asset's contractual cash flow characteristics.

###### *Business model assessment*

The Company determines the business model at the level that reflects how groups of financial assets are managed. In determining the business model, all relevant evidence that is available at the date of the assessment is used including:

- how the performance of the financial assets held within that business model is evaluated and reported to the Company's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

The Company exercises judgement to determine the appropriate level at which to assess its business models and its intention with respect to financial assets.

###### *Amortised cost*

A financial asset is subsequently measured at amortised cost using the EIR method if the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- the contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI requirements
- the financial asset has not been designated to be measured at FVTPL (DFVTPL).

Interest income determined in accordance with the EIR is recognised in interest income. Gains and losses arising from the derecognition of financial assets that are measured on an amortised cost basis are recognised as part of other operating income and charges.

Cash and debtors are measured at amortised cost.

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# UK Green Infrastructure Platform Limited

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## Notes to the financial statements for the financial year ended 31 March 2021 (continued)

### Note 2. Summary of significant accounting policies

#### v) Financial instruments (continued)

##### *Fair value through profit or loss ("FVTPL")*

Financial assets that do not meet the criteria to be measured at amortised cost or fair value through other comprehensive income "FVOCI" are measured at FVTPL, with all changes in fair value recognised as part of other operating income and expenses in the profit and loss account.

For the purposes of the Company's financial statements, the FVTPL classification consists of the following:

- financial assets in a business model whose objective is achieved by managing the financial assets on a fair value basis in order to realise gains and losses as opposed to a business model in which the objective is to collect contractual cash flows or financial assets that fail the solely payments of principal and interest "SPPI" test.

Changes in the fair value of financial assets that are FVTPL are recognised as part of other operating income and charges. The interest component of financial assets that are classified as FVTPL are recognised in interest income.

All investment assets are measured at FVTPL.

##### *Reclassification of financial instruments*

The Company reclassifies debt financial assets when and only when its business model for managing those assets changes. Financial assets that are reclassified are subsequently measured based on the financial instrument's new measurement category.

The Company does not reclassify financial liabilities after initial recognition.

##### *Financial liabilities*

Financial liabilities are measured at amortised cost.

#### vi) Investments

The Company has been designated as an investment entity in line with IFRS 10 'Consolidated Financial Statements' as it met the relevant criteria of such an entity. The criteria has been laid out below:

- The company obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- The company commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both
- The company measures and evaluates the performance of substantially all of its investments on a fair value basis.

In light of this it does not consolidate any subsidiaries, or equity account for any associates or joint ventures in accordance with IAS 28 'Investments in Associates and Joint Ventures', but holds these investments at fair value through profit or loss.

The fair value of each asset includes the relevant cost of all shares, limited partner stakes, principal loan balances and any unpaid accrued interest relating to the investment. All investments undergo a valuation process which occurs at least semi-annually, with any change in fair value being processed as a revaluation through the profit or loss statement (Note 16).

Management continue to assess the designation of the Company as an investment entity on an annual basis.

#### vii) Assets classified as held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. The Company measures its assets classified as held for sale at fair value.

Assets classified as held for sale are presented separately from the other assets in the balance sheet.

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# UK Green Infrastructure Platform Limited

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## Notes to the financial statements for the financial year ended 31 March 2021 (continued)

### Note 2. Summary of significant accounting policies

#### viii) Cash at bank

Cash at bank comprises cash balances with qualifying financial institutions.

#### ix) Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### x) Functional currency

The functional currency of the Company is determined as the currency of the primary economic environment in which the Company operates. The Company's financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

#### xi) Rounding of amounts

All amounts in the Directors' Report and Financial Statements have been rounded off to the nearest thousand pound sterling (£'000) unless otherwise indicated.

# UK Green Infrastructure Platform Limited

## Notes to the financial statements for the financial year ended 31 March 2021 (continued)

### Note 3. Other operating expenses

	2021	2020
	£'000	£'000
Outsourced management services	413	626

### Note 4. Administrative expenses

	2021	2020
	£'000	£'000
<b>Profit on ordinary activities before taxation is stated after charging:</b>		
Fees payable to the Company's auditors for the audit of the Company*	42	54
Professional fees	629	120
Other administration expenses	10	13
<b>Total</b>	<b>681</b>	<b>187</b>

\*Exclusive of VAT £35k (2020: £45k).

The Company had no employees since incorporation.

### Note 5. Interest payable

	2021	2020
	£'000	£'000
Interest payable	-	79

### Note 6. Taxation

	2021	2020
	£'000	£'000

#### Analysis of tax charge for the year:

##### Current tax

UK corporation tax	1,354	-
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The income tax expense for the year is equal (2020: equal) to the standard rate of corporation tax in the UK of 19%. The differences are explained below:

<b>Gain/(loss) on ordinary activities before taxation</b>	<b>78,538</b>	<b>(39,072)</b>
Gain/(loss) on ordinary activities before taxation multiplied by standard rate of corporation tax in the UK of 19%	<b>14,922</b>	<b>(7,424)</b>
Effects of:		
Use of brought forward losses	<b>(13,568)</b>	-
Current year tax losses for which no deferred tax is recognised	-	7,424
<b>Total income tax</b>	<b>1,354</b>	<b>-</b>

Notes to the financial statements  
for the financial year ended 31 March 2021 (continued)

	2021	2020
	£'000	£'000
Financial assets	70,288	-

Reconciliation of movement in investments	Debt investment	Limited Partnership	Shareholder investment*	2021 Total	2020 Total
Balance at the beginning of the financial year	-	-	-	-	68,681
Additions	-	-	1,504	1,504	34
Interest	-	-	7,424	7,424	7,450
Revaluation	10,848	-	61,360	72,208	(45,630)
Disposals	(10,848)	-	-	(10,848)	(30,535)
<b>Balance at the end of the financial year</b>	<b>-</b>	<b>-</b>	<b>70,288</b>	<b>70,288</b>	

The Limited Partnership assets above related to investments in funds that invest in a range of renewable energy projects throughout the UK. Control of these funds is determined through the limited partnership agreements, with such control deemed to lie out with UK GIP, and as such, these investments are classified as unconsolidated structured entities.

The Company's maximum exposure to these funds is through the investments that it has made, which is represented by their carrying value. As at 31 March 2021 and 31 March 2020, the limited partnerships had disposed of all investments and therefore the value of the Company's investment in these limited partnerships was £nil. As at 31 March 2021, one remaining limited partnership has not yet dissolved.

At March 2020 the Directors considered there was a substantial risk due to COVID-19 impacting the UK renewables power market in terms of power prices and feedstock availability, and ultimately Force Majeure claims. Such risks lead to concerns on the liquidity of the company and therefore the fair value at March 2020 resulted in a downward revaluation of the shareholder's investment at that time.

In November 2020, the Company entered into an agreement to subscribe for an additional £3,007k commitment into Tilbury with the intention of delivering a return to shareholders. Of the total commitment, £1,504k was drawn on the agreement date. In early 2021 a sales process was initiated with the intention of disposing the Company's debt and equity investments in Tilbury. On 30 June 2021 the sales process completed and the entire holding was sold for a consideration of £72,333k. For this reason, the investment has been treated as an Asset held for sale as at 31 March 2021 and measured at fair value with reference to the expected sales proceeds on completion date after deduction of interest transactions in the next financial year.

Tilbury is also classed as a related party, and during the period transactions occurred relating to interest income, totalling £7,424k (2020: £6,580k). Interest income is assessed for recoverability and revalued in line with the Company's accounting policies. The carrying value of the investment, including loan notes, at 31 March 2021 with Tilbury was £70,288k (2020: £nil).

The Company's debt investment funded an energy from waste facility which recycled local authority waste. In October 2020, the investment, which was previously written down to £nil as at 31 March 2020, was transferred to new ownership for a consideration of £10,848k.

# UK Green Infrastructure Platform Limited

## Notes to the financial statements for the financial year ended 31 March 2021 (continued)

### Note 8. Debtors

	2021 £'000	2020 £'000
Debtors	-	438
Prepayments	14	11
Tax receivables	-	56
<b>Total debtors</b>	<b>14</b>	<b>505</b>

### Note 9. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Tax payables	1,354	-
Accruals and deferred income	639	444
<b>Total creditors amounts falling due within one year</b>	<b>1,993</b>	<b>444</b>

Previously included within the Creditors balance above were balances owed to the Secretary of state for Business, Energy and Industrial Strategy ("BEIS"), a shareholder, and related party of the Company. The remaining shareholder loan balance was repaid in the prior period. The outstanding receivables balance between BEIS and the Company at 31 March 2020 of £437k was repaid during the current period, with no remaining balances between the Company and BEIS as at 31 March 2021. The outstanding commitments available to the Company to be drawn upon at this date are £9,360k (2020: £9,360k).

UK Green Investment Bank Limited is also a shareholder, and related party, of the Company. During the period, £692k of service fee payments were made, and £413k of service fees were accrued as payable to UK Green Investment Bank Limited (2020: interest and service fees totalled £654k). During the prior period, the remaining shareholder loan balance was repaid. The outstanding payables balance between UK Green Investment Bank Limited and the Company at 31 March 2021 is £78k (2020: £356k), and the outstanding commitments available to the Company to be drawn upon at this date are £1,040k (2020: £1,040k).

### Note 10. Dividends

	2021 £'000	2020 £'000
Amounts recognised as distributions to equity holders in the period:		
Interim dividend for the year ended 31 March (equivalent to £25,780 (2020: £nil) per share)	25,780	-
<b>Total dividends</b>	<b>25,780</b>	<b>-</b>

### Note 11. Called up share capital and share premium reserve

	2021 Number of shares	2021 £	2020 Number of shares	2020 £
Ordinary share capital				
Opening balance of fully paid ordinary shares of £1 each	1,000	1,000	1,000	1,000
Closing balance of fully paid ordinary shares	1,000	1,000	1,000	1,000
			2021 £'000	2020 £'000
Share premium reserve				
Opening balance of share premium reserve			-	93,686
Capital reduction			-	(93,686)
Closing balance of share premium reserve			-	

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# UK Green Infrastructure Platform Limited

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## Notes to the financial statements for the financial year ended 31 March 2021 (continued)

### Note 12. Directors' remuneration

The executive directors were paid by other entities and the Company has not been recharged for the services provided. The non executive director Anthony J Poulter was accrued a fee of £15k in the year.

### Note 13. Contingent liabilities and commitments

The Company has £18,752k in undrawn commitments at year end (2020: £23,372k). These amounts include fully or partially undrawn commitments that are legally binding and cannot be unconditionally cancelled by the Company.

The remaining £1,504k Tilbury commitment (Note 7) was extinguished on 30 June 2021 following Tilbury sale (Note 18). This balance was classified as a contingent liability at year end following managements view on the unlikelihood of it being called.

### Note 14. Ultimate parent undertaking

At 31 March 2021 the immediate parent undertaking of the Company is the Secretary of State for Business, Energy and Industrial Strategy.

The ultimate parent undertaking and controlling party of the Company is the UK Government. The largest group to consolidate these financials statements is the UK Government and the smallest group to consolidate these financial statements is the Secretary of State for Business, Energy and Industrial Strategy. Copies of the consolidated financial statements for the UK Government can be obtained from [www.gov.uk](http://www.gov.uk).

### Note 15. Risk Disclosure

The Company's activities expose it to a number of financial risks including cash flow risk, credit risk, liquidity risk and market risk. The Company does not use derivative financial instruments. Following the successful sale of Tilbury in June 2021, the Company's risk exposure has been reduced.

#### Cash flow risk

Interest bearing assets were held at a fixed rate to ensure certainty of cash flows.

#### Credit risk

The Company's principal financial assets are bank balances, and investments. The Company's credit risk is primarily attributable to its investments. The amounts presented in the balance sheet reflect a revaluation assessment that considers, amongst other factors, if there is an identified loss event and will evaluate the recoverability of the cash flows if required, which is based on previous experience.

The credit risk of counterparties is considered and monitored closely by the Board of Directors. The Company has no significant concentration of credit risk. The investments have exposure spread over a number of counterparties and customers. The credit risk, for additional services procured by UKGIP, is with counterparties with high credit-ratings assigned by recognised credit-rating agencies.

#### Market risk

Market risk is the risk of loss of earnings or economic value due to adverse changes in financial market rates or prices. The exposures for UKGIP in this regard consist principally of:

- Power price risk. A number of UKGIP's investments earn part of their revenue by exporting electricity to the grid. As a consequence, UKGIP is exposed to movements in UK wholesale power prices. However, because UKGIP's portfolio consists of investments that receive part of their income through Renewables Obligations Certificates the impact of power price movements is mitigated.
- Inflation risk. A number of UKGIP's investments have underlying contracts that are indexed to UK inflation rates. In consequence, lower than expected inflation will have a negative impact on nominal returns but may also reduce the operating expense inflation.
- Feedstock availability risk. UKGIP's shareholder investment is exposed to the availability of feedstock in the production of electricity.
- COVID-19. Throughout the 2020/21 financial year, the global pandemic has been ever-present. COVID-19 caused uncertainty in the UK renewables power market exposing UKGIP to the impact of power prices and availability of feedstock.

# UK Green Infrastructure Platform Limited

## Notes to the financial statements for the financial year ended 31 March 2021 (continued)

### Note 16. Fair values of financial assets and financial liabilities

Fair value reflects the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Quoted prices or rates are used to determine fair value where an active market exists. If the market for a financial instrument is not active, fair values are estimated using present value or other valuation techniques, using inputs based on market conditions prevailing on the measurement date.

The values derived from applying these techniques are affected by the choice of valuation model used and the underlying assumptions made regarding inputs such as timing and amounts of future cash flows, discount rates, credit risk, volatility and correlation.

Financial instruments measured at fair value are categorised in their entirety, in accordance with the levels of the fair value hierarchy as outlined below:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The appropriate level for an instrument is determined on the basis of the lowest level input that is significant to the fair value measurement.

The following methods and significant assumptions have been applied in determining the fair values of financial instruments:

- financial assets and liabilities at fair value through profit or loss and other transactions undertaken for trading purposes are measured at fair value by reference to quoted market prices when available (e.g. listed securities). If quoted market prices are not available, then fair values are estimated on the basis of pricing models or other recognised valuation techniques.

Where valuation techniques are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of the area that created them. All models that are relied upon are certified before they are used, and models are calibrated periodically to test that outputs reflect prices from observable current market transactions in the same instrument or other available observable market data. To the extent possible, models use only observable market data, however management is required to make assumptions for certain inputs that are not supported by prices from observable current market transactions in the same instrument, such as volatility and correlation.

The following tables summarise the levels of the fair value hierarchy for financial instruments measured at fair value of the Company at 31 March 2021:

	Level 1	Level 2	Level 3
2021	£'000s	£'000s	£'000s
<b>Assets</b>			
Assets classified as held for sale	-	70,288	-
<b>Total assets</b>	-	70,288	-

Cash and debtors fair value is approximate to their carrying value.

	Level 1	Level 2	Level 3
2020	£'000s	£'000s	£'000s
<b>Assets</b>			
Investments	-	-	-
<b>Total assets</b>	-	-	-

Cash and debtors fair value is approximate to their carrying value.

# UK Green Infrastructure Platform Limited

## Notes to the financial statements for the financial year ended 31 March 2021 (continued)

### Note 16. Fair values of financial assets and financial liabilities (continued)

#### Reconciliation of balances in Level 2 of the fair value hierarchy

The following table presents the changes in Level 2 of the fair value hierarchy for the Company for the year ended 31 March 2021.

	£'000s	£'000s
	<i>Investments</i>	<i>Assets classified as held for sale</i>
Balance at the beginning of the financial period	-	-
Additions	1,504	-
Interest	7,424	-
Disposals	(10,848)	-
Revaluation	72,208	-
Reclassification	(70,288)	70,288
<b>Balance at 31 March 2021</b>	<b>-</b>	<b>70,288</b>

In light of the fair value of the investments being based on expected sale proceeds, the value of which was subsequently received after year-end, no sensitivity analysis has been prepared as there is certainty regarding the values presented above.

### Note 17. Capital management strategy

The Company's capital management strategy is to maximise shareholder value through optimising the level and use of capital resources, whilst also providing the flexibility to take advantage of opportunities as they may arise.

The Company's capital management objectives are to:

- ensure sufficient capital resource to support the Company's business and operational requirements;
- safeguard the Company's ability to continue as a going concern.

Periodic reviews of the entity's capital requirements are performed to ensure the Company is meeting its objectives. Capital is defined as share capital plus reserves, including profit and loss account.

### Note 18. Events after the reporting year

On 30 June 2021, the Company sold its entire holding in Tilbury for a consideration of £72,333k. Refer to Note 7 for further details.

On 19 July 2021, the Company declared a dividend of £71,790 per share, which was subsequently paid.

There were no other material events subsequent to 31 March 2021 that have not been reflected in the financial statements.