



# **Aberdeen European Infrastructure Carry GP Limited**

Directors' report and financial statements

Registered number SC390150

For the year ended 31 December 2016



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## **Company information**

### **Board of directors**

H Clayton  
A McCaffery  
David Pinder

### **Secretary**

Aberdeen Asset Management PLC  
10 Queens Terrace  
Aberdeen  
AB10 1YG

### **Registered office**

10 Queens Terrace  
Aberdeen  
AB10 1YG

### **Bankers**

Lloyds Bank plc  
25 Gresham Street  
London  
EC2V 7HN

## **Directors' report**

The Directors, as listed on page 1, submit their report and unaudited financial statements of Aberdeen European Infrastructure Carry GP Limited ("the Company") for the year to 31 December 2016.

The Company qualifies as a small company in accordance with Sections 381-382 of the Companies Act 2006 (the "Act") and the Directors' Report has therefore been prepared taking into consideration the provisions of Part 15 of the Act.

In preparing the report, the Directors have taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 and have not prepared a Strategic Report.

### **Incorporation**

The Company was incorporated in Scotland on 9 December 2010.

### **Business review and principal activities**

The Company is the General Partner of three Limited Partnerships, namely Aberdeen Infrastructure Partners II Carry LP, Aberdeen European Infrastructure Partners Carry LP, and Aberdeen European Infrastructure Partners Carry II LP. Aberdeen Infrastructure Partners II Carry LP is a limited partnership registered in Scotland under registration number SL017253 which was registered on 14 July 2014. Aberdeen European Infrastructure Partners Carry LP is a limited partnership registered in Scotland under registration number SL008466, which was registered on 22 December 2010. Aberdeen European Infrastructure Partners Carry II LP is a limited partnership registered in Scotland under registration number SL021770, which was registered on 6 August 2015.

### **Results and dividends**

The Company has not traded in the year and made neither a profit or loss (2015: £nil). The Directors do not recommend the payment of a dividend in respect of 2016 (2015: £nil).

### **Future developments**

The Company is dormant in the current year and has no future plans to undertake any trading activity.

### **Key performance indicators (KPIs)**

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

### **Principal risks and uncertainties**

The Company is not exposed to significant risks in relation to its operating activities, nor does the Company perform any regulated activities. The Company operates under the Aberdeen Asset Management PLC ("AAM PLC" or, together with its subsidiaries, "the Aberdeen Group") risk management framework where the oversight and implementation of risk strategy for the Company and the Group is managed at an executive level through the risk management committee, together with the risk, compliance, legal and internal audit departments.

### **Directors' indemnities**

The Directors benefitted from qualifying third party indemnity provisions which were in place during the whole of the period and at the date of signing the financial statements.

### **Directors and their interests**

The Directors who held office during the year and at the date of this report were as follows:

H Clayton  
A McCaffery  
David Pinder

No Director has any interest in any material contract or arrangement with the Company during or at the end of the period.

## Directors' report (continued)

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

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 International Financial Reporting Standards ("IFRSs") as adopted by the European Union (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 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 IFRSs as adopted by the European Union 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 its financial statements comply with the Companies Act 2006. They 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.

On behalf of the board



A McCaffery  
Director  
22 September 2017

## Balance sheet

As at 31 December 2016

	Note	2016 £	2015 £
<b>Assets</b>			
Cash at bank		1	1
<b>Total current assets</b>		<u>1</u>	<u>1</u>
<b>Equity</b>			
Share capital	3	1	1
<b>Total equity</b>		<u>1</u>	<u>1</u>

The notes on pages 6 to 7 form an integral part of these financial statements.

For the year ended 31 December 2016, the Company was entitled to exemption from audit under Section 480 of the Companies Act 2006 relating to dormant companies.

The Directors have not required the Company to obtain an audit of its financial statements for the year in question in accordance with Section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the Directors on <sup>22</sup>~~22~~ September 2017 and were signed on their behalf by:

  
 A McCaffery  
 Director

# **Statement of changes in equity**

*At 31 December 2016*

	2016 £	2015 £
Net assets attributable to equity shareholder at 1 January	<u>1</u>	<u>1</u>
<b>Net assets attributable to equity shareholder at 31 December</b>	<b><u>1</u></b>	<b><u>1</u></b>

The notes on pages 6 to 7 are an integral part of these financial statements.

## Notes to the financial statements

### 1. General information

The Company was established as a limited company under the laws of Scotland. The address of its registered office is 10 Queen's Terrace, Aberdeen, AB10 1YG.

These financial statements were authorised for issue by the Directors of the Company on Xx September 2017.

### 2. Accounting policies

#### *Basis of preparation*

The financial statements of Aberdeen UK Infrastructure Carry GP Limited comprise the balance sheet, and the statement of changes in equity together with the related notes to the financial statements.

The financial statements are presented in GBP which is the Company's functional and presentation currency.

The 2016 statutory financial statements are prepared in accordance with International Financial Reporting Standards ('IFRS') and interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC') as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS. The standards applied by the Company are those endorsed by the European Union and effective at the date the financial statements are approved by the Board. Consequently, the financial statements comply with International Financial Reporting Standards.

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

#### *Disclosure of impact of new and future accounting standards*

##### *Amended standards and interpretations*

No amendments or interpretations have been issued that are considered to have a material impact on the Company's financial statements. Standards, amendments and interpretations to existing standards that are not yet effective have not been early adopted by the Company.

The following standard has been published and is mandatory for the Company's accounting periods beginning on or after 1 January 2018, but the Company has not early adopted the standard:

- IFRS 9 'Financial instruments' is effective for accounting periods on or after 1 January 2018. The Company does not expect the adoption of this standard to have a material impact on the financial statements.

#### *Critical accounting estimates and judgements*

There are no critical accounting estimates or judgements which are material to the financial statements.

#### *Going concern*

The Directors are satisfied that the Company has sufficient financial resources to continue as a going concern for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.



## Notes to the financial statements (continued)

### 3. Share capital

	2016 £	2015 £
Authorised, called up and unpaid shares		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

### 4. Financial risk management

The Company's financial instruments expose it to specific risks. The significance of these risks to the company is explained beneath.

#### *Liquidity risk*

Liquidity risk reflects an enterprise's inability to raise funds to meet commitments. The company does consider itself to have significant exposure to liquidity risk.

#### *Fair values*

The fair values of financial assets and liabilities together with the carrying amounts shown in the balance sheet are as follows:

	Carrying amount 2016 £	Fair value 2016 £	Carrying amount 2015 £	Fair value 2015 £
Cash at bank	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

#### *Offsetting*

The Company has no financial assets or financial liabilities, which are subject to offsetting or similar agreements.

### 5. Immediate and ultimate parent undertakings

The immediate parent company is Aberdeen Alternatives (Holdings) Limited. The Company's ultimate parent undertaking and controlling party is AAM PLC, which is incorporated in the United Kingdom and registered in Scotland.

The results of the Company are consolidated in the Group accounts of AAM PLC, which is the largest and smallest group that the results are consolidated within, which are available to the public and may be obtained from 10 Queen's Terrace, Aberdeen, AB10 1YG.

**Aberdeen European Infrastructure Partners Carry LP**

**Annual report and financial statements**

**For the year ended 31 December 2016**



**Partnership Registration**

**SL008466**

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## Partnership information

**General Partner** Aberdeen European Infrastructure Carry GP Limited  
10 Queens Terrace  
Aberdeen  
Scotland  
AB10 1YG

**Directors of General Partner** A McCaffery  
H Clayton  
D Pinder

**Registered office** 10 Queen's Terrace  
Aberdeen  
AB10 1YG

**Independent auditors** PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX

## Report of the General Partner

The General Partner presents its annual report and financial statements for Aberdeen European Infrastructure Partners Carry LP (the "Partnership") for the year ended 31 December 2016.

In preparing this report, the General Partner has taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 and has not prepared a strategic report.

### Limited partnership

The Partnership was established on 23 December 2010 and is registered as a limited partnership in Scotland under the Limited Partnerships Act 1907, with registration number SL008466.

### Business review and principal activity

The Partnership's principal activity is to invest as a carried interest partner in Aberdeen European Infrastructure Partners LP (the "Fund"), a limited partnership registered in Scotland under the Limited Partnerships Act 1907. There are no plans to change the principal activity of the Partnership.

### Principal risk and uncertainties

The key risks and uncertainties faced by the Partnership are managed within the framework established by the General Partner. Exposures to market risk, investment risk, credit risk, liquidity risk and capital risk arise in the normal course of the Partnership's business. These risks are discussed, and supplementary qualitative and quantitative information is provided, in note 4. The Partnership's liquidity risk is managed by the General Partner.

### Results

During the year, the Partnership did not trade and made neither a profit nor loss (2015: €nil). No dividend is recommended in respect of 2016 (2015: €nil).

### Key performance indicators (KPIs)

Given the straightforward nature of the business, the General Partner is of the opinion that analysis using KPIs is not necessary for the understanding of the development, performance or position of the business.

### Going concern

The General Partner considers that the Partnership has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the General Partner has taken into account all available information, including existing limited partner capital and future operating and liquidity requirements. Consequently the going concern basis is appropriate when preparing the financial statements.

### Directors' indemnities

The Directors of the General Partner benefited from qualifying third party indemnity provisions, which were in place during the financial year and at the date of signing the financial statements.

### Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the financial statements for each financial year which give a true and fair view, in accordance with applicable law and the Limited Partnership Agreement of the state of affairs of the Partnership and of the results of the Partnership for that year. The General Partner has determined that the financial statements will be prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union, as opposed to United Kingdom Generally Accepted Accounting Practice as set out in the Limited Partnership Agreement, to ensure that these financial statements are prepared on a consistent basis with its linked entities.

In preparing these financial statements the General Partner is also required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Partnership will continue in business.

## Report of the General Partner (continued)

### Statement of General Partner's responsibilities in respect of the financial statements (continued)

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable the General Partner to ensure that the financial statements comply with applicable law and IFRSs as adopted by the European Union. The General Partner is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The General Partner is required to act in the best interest of the Partnership and perform its obligations under the Limited Partnership Agreement dated 30 January 2012.

### Disclosure of information to auditors

In the case of each of the persons who are Directors of the General Partner at the time when this report was approved, the following applies:

So far as each of the Directors is aware, there is no relevant audit information of which the Partnership's auditors are unaware. Each of the Directors have taken all of the steps that ought to have been taken as Director of the General Partner in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

Signed on behalf of Aberdeen European Infrastructure Carry GP Limited by:



H Clayton  
Director  
27 September 2017

## ***Independent auditors' report to the members of Aberdeen European Infrastructure Partners Carry LP***

### **Report on the financial statements**

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#### **Our opinion**

In our opinion, Aberdeen European Infrastructure Partners Carry LP's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2016 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

#### **What we have audited**

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The financial statements, included within the Annual Report and financial statements (the "Annual Report"), comprise:

- the Statement of financial position as at 31 December 2016;
- the Statement of changes in net assets attributable to the Limited Partners for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the general partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

#### **Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships**

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

- the information given in the Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Report of the General Partner. We have nothing to report in this respect.

#### **Other matters on which we are required to report by exception**

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##### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

##### **General Partner's remuneration**

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Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, certain disclosures of general partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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## Entitlement to exemptions

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, the general partner were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

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## Responsibilities for the financial statements and the audit

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### Our responsibilities and those of the general partner

As explained more fully in the Statement of General Partner's Responsibilities in respect of the financial statements set out on page 2, the general partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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### What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the general partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the general partner's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Report of the General Partner, we consider whether this report includes the disclosures required by applicable legal requirements.



Gillian Alexander (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Edinburgh  
27 September 2017



## Statement of financial position

At 31 December 2016

	Note	2016 €	2015 €
<b>Assets</b>			
<b>Non-current assets</b>			
Financial assets at fair value through profit and loss	3	<u>556</u>	<u>556</u>
<b>Net assets attributable to the Limited Partners</b>		<u><b>556</b></u>	<u><b>556</b></u>
<b>Represented by:</b>			
Limited Partners' capital		<u>556</u>	<u>556</u>
		<u><b>556</b></u>	<u><b>556</b></u>

There is no comprehensive income, nor has there been any cash receipted into or paid from the Partnership bank account in the current or preceding financial year. Accordingly, no statement of comprehensive income or statement of cash flows has been presented.

The notes on pages 8 to 10 form part of these financial statements.

These financial statements were authorised for issue by the Board of Directors of the General Partner of the Partnership on its behalf by:



H Clayton  
Director  
27 September 2017

## Statement of changes in net assets attributable to the Limited Partners

*At 31 December 2016*

	2016 €	2015 €
Net assets attributable to the Limited Partners at 1 January	<u>556</u>	<u>556</u>
<b>Net assets attributable to the Limited Partners at 31 December</b>	<b><u>556</u></b>	<b><u>556</u></b>

The notes on pages 8 to 10 form part of these financial statements.

## Notes to the financial statements

### 1. General information

The Partnership was established as a limited partnership under the laws of Scotland. The address of its registered office is 10 Queen's Terrace, Aberdeen, AB10 1YG. The Partnership is managed by the General Partner.

These financial statements were authorised for issue by the Board of Directors of the General Partner on 27 September 2017.

### 2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the current and prior year, unless otherwise stated.

#### *Basis of preparation*

The financial statements of the Partnership have been prepared in accordance with IFRSs as adopted by the European Union, as determined by the General Partner. The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with IFRSs as adopted by the European Union requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. There are currently no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

The Partnership's capital is denominated in Euro. The performance of the Partnership is measured and reported to the investors in Euro. The General Partner considers Euro as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions of the Partnership. The financial statements are presented in Euro, the Partnership's functional and presentational currency. The Pound to Euro exchange rate at 31 Dec 2016 is 1.1715.

#### *Disclosure impact of new and future accounting standards*

##### *Amended standards and interpretations*

No amendments or interpretations have been issued that are considered to have a material impact on the Partnership's financial statements. Standards, amendments and interpretations to existing standards that are not yet effective have not been early adopted by the Partnership.

The following standard has been published and is mandatory for the Partnership's accounting periods beginning on or after 1 January 2018, but the Partnership has not early adopted the standard:

- IFRS 9 'Financial instruments' is effective for accounting periods on or after 1 January 2018. The Partnership does not expect the adoption of this standard to have a material impact on the financial statements.

All other amendments not yet effective and not included above are not material or applicable to the Partnership.

#### *Financial instruments*

##### *Classification*

The Partnership classifies its investment interests as financial assets at fair value through profit or loss.

##### *Recognition, derecognition and measurement*

Purchases and sales of investments are recognised on trade date, the date on which the Partnership commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Partnership has transferred substantially all risks and rewards of ownership.

## Notes to the financial statements (continued)

### 2. Accounting policies (continued)

#### *Financial instruments (continued)*

##### *Recognition, derecognition and measurement (continued)*

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Partnership has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Fair value measure adjustments are presented in the statement of comprehensive income as they arise.

##### *Fair value estimation*

Fair value is 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. The fair value of the investment interest approximates to the total capital contributed.

##### *Offsetting*

The Partnership has no financial assets or financial liabilities, which are subject to offsetting or similar agreements.

### 3. Financial assets at fair value through profit and loss

	2016 €	2015 €
Aberdeen European Infrastructure Partners LP	<u>556</u>	<u>556</u>

### 4. Financial risk management

This note presents information about the Partnership's exposure to financial risks, primarily in relation to its interests in the Fund. This investment is structured at the outset to minimise financial risks of acquiring and holding the investment.

#### *Market risk*

Market risk arises from fluctuations in the fair value or future cash flows of a financial instrument because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. As the Partnership's investment represents carried interest in the Fund, which is not dependent on market prices and is denominated in Euro, market risk is not considered to be significant.

#### *Credit risk*

Credit risk is the risk that one party to a financial instrument will be unable or unwilling to meet a commitment that it has entered into with the Partnership. The main concentration of credit risk to which the Partnership is exposed arises from the Partnership's investment holding, which is not considered to be significant.

The maximum exposure to credit risk over financial assets is the carrying value of those assets in the Statement of financial position. As at 31 December 2016, the Partnership did not have any overdue or impaired balances.

## Notes to the financial statements (continued)

### 4. Financial risk management (continued)

#### *Investment risk*

Investment risk arises from the Partnership's exposure to its investment. The General Partner undertakes a full assessment of each entity's potential for value creation prior to entering into a new transaction. Thereafter, the performance of each investment is continually monitored. Further information about the Partnership's sensitivity to changes in the fair value of equity investments is set out below.

At the reporting date, the carrying value of investments amounted to €556 (2015: €556). For investments carried at fair value through profit or loss, changes in fair value would have a direct impact on total comprehensive income for the year. The impact on the statement of comprehensive income of a 10% decline in the fair value of the investments held would be to decrease profit for the year by €56 (2015: €56).

#### *Liquidity risk*

Liquidity risk is the risk that the Partnership will not be able to meet its financial obligations as they fall due. The Partnership's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient financial resources and liquidity to meet its liabilities when due. The Partnership's activity is funded by long-term funding, and hence the Limited Partners do not have the option to withdraw their investment in the Partnership. The Partnership is exposed to limited liquidity risk.

The Partnership's investment is in a fund for which there is no active market and, therefore, such an investment could take time to realise and there is no assurance that the valuations placed on the investment would be achieved from any such sale process.

#### *Capital risk management*

The capital structure of the Partnership consists of Limited Partners' capital. The General Partner's policy when managing capital is to safeguard the Partnership's ability to continue as a going concern in order to provide returns for the Limited Partners and to sustain the future development of the business. In order to maintain or adjust the capital structure, the Partnership may call undrawn capital from the Limited Partners. The Partnership is not subject to externally imposed capital requirements. There were no changes in the Partnership's approach to capital management during the year.

#### *Fair value estimation*

The fair value hierarchy consists of the following three levels:

- Level 1: unadjusted quoted prices 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 or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The financial instruments measured at fair value through profit and loss are level 3 financial instruments. The fair value of these financial instruments is the total capital contributed by the Limited Partners. There were no transfers between the hierarchies detailed above during the year.

### 5. Related party transactions

The General Partner, and Directors of the General Partner, received no remuneration in respect of their services to the Partnership. The emoluments of the Directors were paid by a fellow group undertaking, which made no recharge to the Partnership. The Partnership has no employees.

For the year ended 31 December 2016, the fee for the audit of financial statements of €3,514 was accrued and will be paid by the initial Limited Partner, Aberdeen European Infrastructure Carry Limited.

There were no transactions with the General Partner during the year (2015: € nil).

**Aberdeen Infrastructure Spain Co-Invest II Carry LP**

**Annual report and financial statements**

**For the period from 22 June 2016 to 31 December 2016**

**Partnership Registration**

**SL027275**



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## Partnership information

**General Partner**                      Aberdeen European Infrastructure Carry GP Limited  
10 Queen's Terrace  
Aberdeen  
AB10 1YG

**Directors of General Partner**    A McCaffery  
H Clayton  
D Pinder

**Registered Office**                    10 Queen's Terrace  
Aberdeen  
AB10 1YG

**Independent Auditors**              PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX



## Report of the General Partner

The General Partner presents its annual report and financial statements for Aberdeen Infrastructure Spain Co-Invest II Carry LP (the "Partnership") for the period from 22 June 2016 to 31 December 2016.

In preparing this report, the General Partner has taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 and has not prepared a strategic report.

### Limited partnership

The Partnership was established on 22 June 2016 and is registered as a limited partnership in Scotland under the Limited Partnerships Act 1907, with registration number SL027275.

### Business review and principal activity

The Partnership was established to invest as a carried interest partner in a Limited Partnership ("the Fund"), although to date the Fund has not been brought into existence. Consequently, during the current financial period no investment was made into the Fund.

### Principal risks and uncertainties

The key risks and uncertainties faced by the Partnership are managed within the framework established by the General Partner. The Partnership is not currently exposed to any market risk, investment risk, credit risk or liquidity risk as no financial assets or liabilities are held on balance sheet.

### Results

During the period, the Partnership did not trade and made neither a profit nor loss. No dividend is recommended in respect of the period.

### Going concern

The General Partner considers that the Partnership has adequate resources to continue in existence for the foreseeable future. In making this assessment, the General Partner has taken into account all available information, including existing limited partner capital and future operating and liquidity requirements. Consequently the going concern basis is appropriate when preparing the financial statements.

### Directors' indemnities

The Directors of the General Partner benefited from qualifying third party indemnity provisions, which were in place during the financial year and at the date of signing the financial statements.

### Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the financial statements for each financial period which give a true and fair view, in accordance with applicable law and the Limited Partnership Agreement of the state of affairs of the Partnership and of the results of the Partnership for that period. The General Partner has determined that the financial statements will be prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union, as opposed to United Kingdom Generally Accepted Accounting Practice as set out in the Limited Partnership Agreement, to ensure that these financial statements are prepared on a consistent basis with its linked entities.

In preparing these financial statements the General Partner is also required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Partnership will continue in business.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable the General Partner to ensure that the financial statements comply with applicable law and IFRSs as adopted by the European Union. The General Partner is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Report of the General Partner (continued)**

### **Statement of General Partner's responsibilities in respect of the financial statements (continued)**

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The General Partner is required to act in the best interest of the Partnership and perform its obligations under the Limited Partnership Agreement dated 8 June 2016.

Signed on behalf of Aberdeen European Infrastructure Carry GP Limited by:



H Clayton  
Director  
27 September 2017

## Statement of financial position

As at 31 December 2016

2016

€

### Assets

#### Current assets

Cash and cash equivalents

-

#### Represented by:

Limited Partners' capital

-

There is no comprehensive income, nor has there been any cash receipted into or paid from the Partnership bank account during the current financial period. Accordingly, no statement of comprehensive income or statement of cash flows has been presented.

The notes on page 6 form part of these financial statements.

These financial statements were authorised for issue by the Board of Directors of the General Partner of the Partnership on its behalf by:



H Clayton

Director

27 September 2017

## Statement of changes in net assets attributable to the Limited Partners

At 31 December 2016

	2016 €
Net assets attributable to the Limited Partners at 22 June	-
Limited Partners' capital contributions	-
<b>Net assets attributable to the Limited Partners at 31 December</b>	<b>-</b>

The notes on page 6 form part of these financial statements.

## Notes to the financial statements

### 1. General information

The Partnership was established as a limited partnership under the laws of Scotland. The address of its registered office is 10 Queen's Terrace, Aberdeen, AB10 1YG. The Partnership is managed by the General Partner.

These financial statements were authorised for issue by the Board of Directors of the General Partner on 27 September 2017.

### 2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout current period, unless otherwise stated.

#### *Basis of preparation*

The financial statements of the Partnership have been prepared in accordance with IFRSs as adopted by the European Union, as determined by the General Partner. The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with IFRSs as adopted by the European Union requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. There are currently no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

The Partnership's capital is denominated in Euro. The performance of the Partnership is measured and reported to the investors in Euro. The General Partner considers Euro as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Euro, the Partnership's functional and presentational currency. The Pound to Euro exchange rate at 31 December 2016 is 1.1715.

#### *Disclosure impact of new and future accounting standards*

##### *Amended standards and interpretations*

No amendments or interpretations have been issued that are considered to have a material impact on the Partnership's financial statements. Standards, amendments and interpretations to existing standards that are not yet effective have not been early adopted by the Partnership.

All other amendments not yet effective and not included above are not material or applicable to the Partnership.

### 3. Related party transactions

The General Partner, and Directors of the General Partner, received no remuneration in respect of their services to the Partnership. The emoluments of the Directors were paid by a fellow group undertaking, which made no recharge to the partnership. The Partnership has no employees.

There were no transactions with the General Partner during the period.

**Aberdeen Infrastructure Partners II Carry LP**

**Annual report and financial statements**

**For the year ended 31 December 2016**

**Partnership Registration**

**SL017253**



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## Partnership information

**General Partner** Aberdeen European Infrastructure Carry GP Limited  
10 Queens Terrace  
Aberdeen  
Scotland  
AB10 1YG

**Directors of General Partner** A McCaffery  
H Clayton  
D Pinder

**Registered office** 10 Queen's Terrace  
Aberdeen  
AB10 1YG

**Independent Auditors** PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX



## Report of the General Partner

The General Partner presents its annual report and financial statements for Aberdeen Infrastructure Partners II Carry LP (the "Partnership") for the year ended 31 December 2016.

In preparing this report, the General Partner has taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 and has not prepared a strategic report.

### Limited partnership

The Partnership was established on 14 July 2014 and is registered as a limited partnership in Scotland under the Limited Partnerships Act 1907, with registration number SL017253.

### Business review and principal activity

The Partnership's principal activity is to invest as a carried interest partner in Aberdeen Infrastructure Partners II LP (the "Fund"), a limited partnership registered in England under the Limited Partnerships Act 1907. There are no plans to change the principal activity of the Partnership.

### Principal risk and uncertainties

The key risks and uncertainties faced by the Partnership are managed within the framework established for the General Partner. Exposures to market risk, investment risk, credit risk, liquidity risk and capital risk arise in the normal course of the Partnership's business. These risks are discussed, and supplementary qualitative and quantitative information is provided, in note 6. The Partnership's liquidity risk is managed by the General Partner.

### Results

During the year, the Partnership did not trade and made neither a profit nor loss (2015: €nil). No dividend is recommended in respect of 2016 (2015: €nil).

### Key performance indicators (KPIs)

Given the straightforward nature of the business, the General Partner is of the opinion that analysis using KPIs is not necessary for the understanding of the development, performance or position of the business.

### Going concern

The General Partner considers that the Partnership has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the General Partner has taken into account all available information, including existing limited partner capital and future operating and liquidity requirements. Consequently the going concern basis is appropriate when preparing the financial statements.

### Directors' indemnities

The Directors of the General Partner benefited from qualifying third party indemnity provisions, which were in place during the financial year and at the date of signing the financial statements.

### Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the financial statements for each financial year which give a true and fair view, in accordance with applicable law and the Limited Partnership Agreement of the state of affairs of the Partnership and of the results of the Partnership for that year. The General Partner has determined that the financial statements will be prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union, as opposed to United Kingdom Generally Accepted Accounting Practice as set out in the Limited Partnership Agreement, to ensure that these financial statements are prepared on a consistent basis with its linked entities.

In preparing these financial statements the General Partner is also required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Partnership will continue in business.

## Report of the General Partner (continued)

### Statement of General Partner's responsibilities in respect of the financial statements (continued)

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable the General Partner to ensure that the financial statements comply with applicable law and IFRSs as adopted by the European Union. The General Partner is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


The General Partner is required to act in the best interest of the Partnership and perform its obligations under the Limited Partnership Agreement dated 19 November 2014.

### Disclosure of information to auditors

In the case of each of the persons who are Directors of the General Partner at the time when this report was approved, the following applies:

So far as each of the Directors is aware, there is no relevant audit information of which the Partnership's auditors are unaware. Each of the Directors have taken all of the steps that ought to have been taken as Director of the General Partner in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

Signed on behalf of Aberdeen European Infrastructure Carry GP Limited by:



H Clayton  
Director  
27 September 2017

## ***Independent auditors' report to the members of Aberdeen Infrastructure Partners II Carry LP***

### **Report on the financial statements**

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#### **Our opinion**

In our opinion, Aberdeen Infrastructure Partners II Carry LP's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2016 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

#### **What we have audited**

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The financial statements, included within the Annual Report and financial statements (the "Annual Report"), comprise:

- the Statement of financial position as at 31 December 2016;
- the Statement of changes in net assets attributable to the Limited Partners for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the general partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

#### **Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships**

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

- the information given in the Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Report of the General Partner. We have nothing to report in this respect.

#### **Other matters on which we are required to report by exception**

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##### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

##### **General Partner's remuneration**

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, certain disclosures of general partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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## Entitlement to exemptions

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, the general partner were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

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## Responsibilities for the financial statements and the audit

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### Our responsibilities and those of the general partner

As explained more fully in the Statement of General Partner's responsibilities in respect of the financial statements set out on page 2, the general partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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### What an audit of financial statements involves

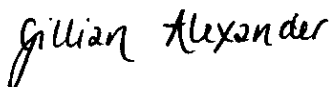
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the general partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the general partner's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Report of the General Partner, we consider whether this report includes the disclosures required by applicable legal requirements.



Gillian Alexander (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Edinburgh

27 September 2017

## Statement of financial position

At 31 December 2016

	Note	2016 €	2015 €
<b>Assets</b>			
<b>Non-current assets</b>			
Financial assets at fair value through profit and loss	3	250	250
<b>Current assets</b>			
Cash and cash equivalents		154	-
Receivables	4	34	188
<b>Total Assets</b>		<b>438</b>	<b>438</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables	5	188	188
<b>Net assets attributable to the Limited Partners</b>		<b>250</b>	<b>250</b>
<b>Represented by:</b>			
Limited Partners' capital		250	250
		<b>250</b>	<b>250</b>

There is no comprehensive income for the current or preceding financial year. Accordingly, no statement of comprehensive income has been presented.

The notes on pages 9 to 12 form part of these financial statements.

These financial statements were authorised for issue by the Board of Directors of the General Partner of the Partnership on its behalf by:



H Clayton  
Director  
27 September 2017

**Statement of changes in net assets attributable to the Limited Partners**

*At 31 December 2016*

	2016 €	2015 €
Net assets attributable to the Limited Partners at 1 January	250	250
Limited Partners' capital contribution	-	-
<b>Net assets attributable to the Limited Partners at 31 December</b>	<b>250</b>	<b>250</b>

The notes on pages 9 to 12 form part of these financial statements.

## Cash flow statement

*For the year ended 31 December 2016*

	2016 €	2015 €
<b>Cash flows from operating activities</b>		
Decrease in receivables	154	-
<b>Cash used in operations</b>	<u>154</u>	<u>-</u>
 Net increase in cash and cash equivalents	154	-
Cash and cash equivalents at 1 January	<u>-</u>	<u>-</u>
 <b>Cash and cash equivalents at 31 December</b>	<u>154</u>	<u>-</u>

The notes on pages 9 to 12 form an integral part of these financial statements.

## Notes to the financial statements

### 1. General information

The Partnership was established as a limited partnership under the laws of Scotland. The address of its registered office is 10 Queen's Terrace, Aberdeen, AB10 1YG. The Partnership is managed by the General Partner.

These financial statements were authorised for issue by the Board of Directors of the General Partner on 27 September 2017.

### 2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the current year and prior period, unless otherwise stated.

#### *Basis of preparation*

The financial statements of the Partnership have been prepared in accordance with IFRSs as adopted by the European Union, as determined by the General Partner. The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with IFRSs as adopted by the European Union requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. There are currently no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

The Partnership's capital is denominated in Euro. The performance of the Partnership is measured and reported to the investors in Euro. The General Partner considers Euro as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Euro, the Partnership's functional and presentational currency. The Pound to Euro exchange rate at 31 Dec 2016 is 1.1715.

#### *Disclosure impact of new and future accounting standards*

##### *Amended standards and interpretations*

No amendments or interpretations have been issued that are considered to have a material impact on the Partnership's financial statements. Standards, amendments and interpretations to existing standards that are not yet effective have not been early adopted by the Partnership.

The following standard has been published and is mandatory for the Partnership's accounting periods beginning on or after 1 January 2018, but the Partnership has not early adopted the standard:

- IFRS 9 'Financial instruments' is effective for accounting periods on or after 1 January 2018. The Partnership does not expect the adoption of this standard to have a material impact on the financial statements.

All other amendments not yet effective and not included above are not material or applicable to the Partnership.

#### *Financial instruments*

##### *Classification*

The Partnership classifies its investment interests as financial assets at fair value through profit or loss. Receivables are classified as loans and receivables and payables are classified as other financial liabilities.

##### *Recognition, derecognition and measurement*

Receivables are initially recognised at fair value which is the cash consideration to originate or purchase the receivable including any transaction costs and measured subsequently at amortised cost using the effective interest rate method. As the receivables are short-term in nature, the carrying value approximates to the amortised cost. Payables are initially recognised at fair value and subsequently stated at amortised cost using the effective interest rate method. As the payables are short-term in nature, the carrying value approximates to the amortised cost. Payables are derecognised when the obligation under the liability is discharged, is cancelled or expires.



## Notes to the financial statements (continued)

### 2. Accounting policies (continued)

#### *Financial instruments (continued)*

##### *Recognition, derecognition and measurement (continued)*

Purchases and sales of investments are recognised on trade date, the date on which the Partnership commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Partnership has transferred substantially all risks and rewards of ownership.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Partnership has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Fair value measure adjustments are presented in the statement of comprehensive income as they arise.

##### *Fair value estimation*

Fair value is 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. The fair value of the investment interest approximates to the total capital contributed.

##### *Offsetting*

The Partnership has no financial assets or financial liabilities, which are subject to offsetting or similar agreements.

### 3. Financial assets at fair value through profit and loss

	2016 €	2015 €
Aberdeen Infrastructure Partners II LP	<u>250</u>	<u>250</u>

### 4. Receivables

	2016 €	2015 €
Receivables from group companies	<u>34</u>	<u>188</u>

Amounts receivable from group companies are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 5. Payables

	2016 €	2015 €
Payables to group companies	<u>188</u>	<u>188</u>

Amounts payable to group companies are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## Notes to the financial statements (continued)

### 6. Financial risk management

This note presents information about the Partnership's exposure to financial risks, primarily in relation to its interests in the Fund. This investment is structured at the outset to minimise financial risks of acquiring and holding the investment.

#### *Market risk*

Market risk arises from fluctuations in the fair value of future cash flows of a financial instrument because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. As the Partnership's investment represents carried interest in the Fund, which is not dependent on market prices and is denominated in Euro, market risk is not considered to be significant.

#### *Credit risk*

Credit risk is the risk that one party to a financial instrument will be unable or unwilling to meet a commitment that it has entered into with the Partnership. The main concentration of credit risk to which the Partnership is exposed arises from the Partnership's investment holding, which is not considered to be significant. Cash and cash equivalents are held with an A rated financial institution.

The maximum exposure to credit risk over financial assets is the carrying value of those assets in the Statement of Financial Position. As at 31 December 2016, the Partnership did not have any overdue or impaired balances.

#### *Investment risk*

Investment risk arises from the Partnership's exposure to its investment. The General Partner undertakes a full assessment of each entity's potential for value creation prior to entering into a new transaction. Thereafter, the performance of each investment is continually monitored. Further information about the Partnership's sensitivity to changes in the fair value of equity investments is set out below.

At the reporting date, the carrying value of investment amounted to €250 (2015:€250). For investments carried at fair value through profit or loss, changes in fair value would have a direct impact on total comprehensive income for the year. The impact on the statement of comprehensive income of a 10% decline in the fair value of the investments held would be to decrease profit for the year by €25 (2015: €25).

#### *Liquidity risk*

Liquidity risk is the risk that the Partnership will not be able to meet its financial obligations as they fall due. The Partnership's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient financial resources and liquidity to meet its liabilities when due. The Partnership's activity is funded by long-term funding, and hence the Limited Partners do not have the option to withdraw their investment in the Partnership. The Partnership is exposed to limited liquidity risk.

The Partnership's investment is in a fund for which there is no active market and, therefore, such an investment could take time to realise and there is no assurance that the valuations placed on the investment would be achieved from any such sale process.

#### *Capital risk management*

The capital structure of the Partnership consists of Limited Partners' capital. The General Partner's policy when managing capital is to safeguard the Partnership's ability to continue as a going concern in order to provide returns for the Limited Partners and to sustain the future development of the business. In order to maintain or adjust the capital structure, the Partnership may call undrawn capital from the Limited Partners. The Partnership is not subject to externally imposed capital requirements. There were no changes in the Partnership's approach to capital management during the year.

#### *Fair value estimation*

The fair value hierarchy consists of the following three levels:

- Level 1: unadjusted quoted prices 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 or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## Notes to the financial statements (continued)

The financial instruments measured at fair value through profit and loss are level 3 financial instruments. The fair value of these financial instruments is the total capital contributed by the Limited Partners. There were no transfers between the hierarchies detailed above during the year.

### 7. Related party transactions

The General Partner, and Directors of the General Partner, received no remuneration in respect of their services to the Partnership. The emoluments of the Directors were paid by a fellow group undertaking, which made no recharge to the Partnership. The Partnership has no employees.

For the year ended 31 December 2016, the financial statements audit fee of €3,514 will be paid by the initial Limited Partner, Aberdeen European Infrastructure Carry Limited.

There were no transactions with the General Partner during the year (2015: €nil).

**Aberdeen Global Infrastructure Partners II Carry LP**

**Annual report and financial statements**

**For the year ended 31 December 2016**

**Partnership Registration**

**SL017252**



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## Partnership information

**General Partner** Aberdeen Global Infrastructure Carry GP Limited  
10 Queen's Terrace  
Aberdeen  
AB10 1YG

**Directors of General Partner** A McCaffery  
H Clayton  
D Pinder

**Registered Office** 10 Queen's Terrace  
Aberdeen  
AB10 1YG

**Independent Auditors** PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX

## Report of the General Partner

The General Partner presents its annual report and financial statements for Aberdeen Global Infrastructure Partners II Carry LP (the "Partnership") for the year ended 31 December 2016.

In preparing this report, the General Partner has taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 and has not prepared a strategic report.

### Limited partnership

The Partnership was established on 14 July 2014 and is registered as a limited partnership in Scotland under the Limited Partnerships Act 1907, with registration number SL017252.

### Business review and principal activity

The Partnership's principal activity is to invest as a carried interest partner in Aberdeen Global Infrastructure Partners II LP (the "Fund"), a limited partnership registered in Guernsey under the Limited Partnerships (Guernsey) Law, 1995, with registered number 2107. There are no plans to change the principal activity of the Partnership.

### Principal risks and uncertainties

The key risks and uncertainties faced by the Partnership are managed within the framework established by the General Partner. Exposures to market risk, investment risk, credit risk, liquidity risk and capital risk arise in the normal course of the Partnership's business. These risks are discussed, and supplementary qualitative and quantitative information is provided, in note 6. The Partnership's liquidity risk is managed by the General Partner.

### Results

During the year, the Partnership did not trade and made neither a profit nor loss (2015: AUD nil). No dividend is recommended in respect of 2016 (2015: AUD nil).

### Key performance indicators (KPIs)

Given the straightforward nature of the business, the General Partner is of the opinion that analysis using KPIs is not necessary for the understanding of the development, performance or position of the business.

### Going concern

The General Partner considers that the Partnership has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the General Partner has taken into account all available information, including existing limited partner capital and future operating and liquidity requirements. Consequently the going concern basis is appropriate when preparing the financial statements.

### Directors' indemnities

The Directors of the General Partner benefited from qualifying third party indemnity provisions, which were in place during the financial year and at the date of signing the financial statements.

### Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the financial statements for each financial year which give a true and fair view, in accordance with applicable law and the Limited Partnership Agreement of the state of affairs of the Partnership and of the results of the Partnership for that year. The General Partner has determined that the financial statements will be prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union, as opposed to United Kingdom Generally Accepted Accounting Practice as set out in the Limited Partnership Agreement, to ensure that these financial statements are prepared on a consistent basis with its linked entities.

In preparing these financial statements the General Partner is also required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Partnership will continue in business.

## Report of the General Partner (continued)

### Statement of General Partner's responsibilities in respect of the financial statements (continued)

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable the General Partner to ensure that the financial statements comply with applicable law and IFRSs as adopted by the European Union. The General Partner is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

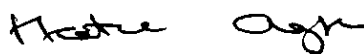
The General Partner is required to act in the best interest of the Partnership and perform its obligations under the Limited Partnership Agreement dated 14 July 2014.

### Disclosure of information to auditors

In the case of each of the persons who are Directors of the General Partner at the time when this report was approved, the following applies:

So far as each of the Directors is aware, there is no relevant audit information of which the Partnership's auditors are unaware. Each of the Directors have taken all of the steps that ought to have been taken as Director of the General Partner in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

Signed on behalf of Aberdeen Global Infrastructure Carry GP Limited by:



H Clayton  
Director  
27 September 2017



## ***Independent auditors' report to the members of Aberdeen Global Infrastructure Partners II Carry LP***

### **Report on the financial statements**

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#### **Our opinion**

In our opinion, Aberdeen Global Infrastructure Partners II Carry LP's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2016 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

#### **What we have audited**

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The financial statements, included within the Annual Report and financial statements (the "Annual Report"), comprise:

- the Statement of financial position as at 31 December 2016;
- the Statement of changes in net assets attributable to the Limited Partners for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the general partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

#### **Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships**

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

- the information given in the Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Report of the General Partner. We have nothing to report in this respect.

#### **Other matters on which we are required to report by exception**

---

##### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

---

## General Partner's remuneration

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, certain disclosures of general partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

---

## Entitlement to exemptions

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, the general partner were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

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## Responsibilities for the financial statements and the audit

---

### Our responsibilities and those of the general partner

As explained more fully in the Statement of General Partner's responsibilities in respect of the financial statements set out on page 2, the general partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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### What an audit of financial statements involves

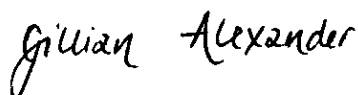
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the general partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the general partner's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Report of the General Partner, we consider whether this report includes the disclosures required by applicable legal requirements.



Gillian Alexander (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Edinburgh

27 September 2017

## Statement of financial position

As at 31 December 2016

	Note	2016 AUD	2015 AUD
<b>Assets</b>			
<b>Non-current assets</b>			
Financial assets at fair value through profit and loss	3	580	448
<b>Current assets</b>			
Cash and cash equivalents		392	-
Receivables	4	-	282
<b>Total Assets</b>		<u>972</u>	<u>730</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables	5	<u>392</u>	<u>282</u>
<b>Net assets attributable to the Limited Partners</b>		<u>580</u>	<u>448</u>
<b>Represented by:</b>			
Limited Partners' capital		<u>580</u>	<u>448</u>

There is no comprehensive income for the current or preceding financial year. Accordingly, no statement of comprehensive income has been presented.

The notes on pages 9 to 12 form part of these financial statements.

These financial statements were authorised for issue by the Board of Directors of the General Partner of the Partnership on its behalf by:



H Clayton  
Director  
27 September 2017

## Statement of changes in net assets attributable to the Limited Partners

At 31 December 2016

	2016 AUD	2015 AUD
Net assets attributable to the Limited Partners at 1 January	448	448
Limited Partners' capital contribution	<u>132</u>	<u>-</u>
<b>Net assets attributable to the Limited Partners at 31 December</b>	<b><u>580</u></b>	<b><u>448</u></b>

The notes on pages 9 to 12 form part of these financial statements.

## Cash flow statement

For the year ended 31 December 2016

	2016 AUD	2015 AUD
<b>Cash flows from operating activities</b>		
Decrease in receivables	282	-
Increase in payables	110	-
<b>Cash used in operations</b>	<u>392</u>	<u>-</u>
 Net increase in cash and cash equivalents	 392	 -
Cash and cash equivalents at 1 January	<u>-</u>	<u>-</u>
<b>Cash and cash equivalents at 31 December</b>	<u><b>392</b></u>	<u><b>-</b></u>

The notes on pages 9 to 12 form part of these financial statements.

## Notes to the financial statements

### 1. General information

The Partnership was established as a limited partnership under the laws of Scotland. The address of its registered office is 10 Queen's Terrace, Aberdeen, AB10 1YG. The Partnership is managed by the General Partner.

These financial statements were authorised for issue by the Board of Directors of the General Partner on 27 September 2017.

### 2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the current year and prior period, unless otherwise stated.

#### *Basis of preparation*

The financial statements of the Partnership have been prepared in accordance with IFRSs as adopted by the European Union, as determined by the General Partner. The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with IFRSs as adopted by the European Union requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. There are currently no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

The Partnership's capital is denominated in Australian Dollar. The performance of the Partnership is measured and reported to the investors in Australian Dollar. The General Partner considers Australian Dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Australian Dollar, the Partnership's functional and presentational currency. The Pound to Australian Dollar exchange rate at 31 December 2016 is 1.7065.

#### *Disclosure impact of new and future accounting standards*

##### *Amended standards and interpretations*

No amendments or interpretations have been issued that are considered to have a material impact on the Partnership's financial statements. Standards, amendments and interpretations to existing standards that are not yet effective have not been early adopted by the Partnership.

The following standard has been published and is mandatory for the Partnership's accounting periods beginning on or after 1 January 2018, but the Partnership has not early adopted the standard:

- IFRS 9 'Financial instruments' is effective for accounting periods on or after 1 January 2018. The Partnership does not expect the adoption of this standard to have a material impact on the financial statements.

All other amendments not yet effective and not included above are not material or applicable to the Partnership.

#### *Financial instruments*

##### *Classification*

The Partnership classifies its investment interests as financial assets at fair value through profit or loss. Receivables are classified as loans and receivables and payables are classified as other financial liabilities.

##### *Recognition, derecognition and measurement*

Receivables are initially recognised at fair value which is the cash consideration to originate or purchase the receivable including any transaction costs and measured subsequently at amortised cost using the effective interest rate method. As the receivables are short-term in nature, the carrying value approximates to the amortised cost. Payables are initially recognised at fair value and subsequently stated at amortised cost using the effective interest rate method. As the payables are short-term in nature, the carrying value approximates to the amortised cost. Payables are derecognised when the obligation under the liability is discharged, cancelled or expires.

## Notes to the financial statements (continued)

### 2. Accounting policies (continued)

#### *Financial instruments (continued)*

##### *Recognition, derecognition and measurement (continued)*

Purchases and sales of investments are recognised on trade date, the date on which the Partnership commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Partnership has transferred substantially all risks and rewards of ownership.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Partnership has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Fair value measure adjustments are presented in the statement of comprehensive income as they arise.

##### *Fair value estimation*

Fair value is 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. The fair value of the investment interest approximate to the total capital contributed.

##### *Offsetting*

The Partnership has no financial assets or financial liabilities, which are subject to offsetting or similar agreements.

### 3. Financial assets at fair value through profit and loss

	2016 AUD	2015 AUD
Aberdeen Global Infrastructure Partners II LP	<u>580</u>	<u>448</u>

The increase in the financial assets is a result of further investment made by each of the partners during the year (2015: no investment).

### 4. Receivables

	2016 AUD	2015 AUD
Receivables from individual Partners	<u>-</u>	<u>282</u>

### 5. Payables

	2015 AUD	2014 AUD
Payables to group companies	<u>392</u>	<u>282</u>

Amounts payable to group companies are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## Notes to the financial statements (continued)

### 6. Financial risk management

This note presents information about the Partnership's exposure to financial risks, primarily in relation to its interests in the Fund. This investment is structured at the outset to minimise financial risks of acquiring and holding the investment.

#### **Market risk**

Market risk arises from fluctuations in the fair value of future cash flows of a financial instrument because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. As the Partnership's investment represents carried interest in the Fund, which is not dependent on market prices and is denominated in Australian Dollar, market risk is not considered to be significant.

#### **Credit risk**

Credit risk is the risk that one party to a financial instrument will be unable or unwilling to meet a commitment that it has entered into with the Partnership. The main concentration of credit risk to which the Partnership is exposed arises from the Partnership's investment holding, which is not considered to be significant. Cash and cash equivalents are held with an A rated financial institution.

The maximum exposure to credit risk over financial assets is the carrying value of those assets in the Statement of Financial Position. As at 31 December 2016, the Partnership did not have any overdue or impaired balances.

#### **Investment risk**

Investment risk arises from the Partnership's exposure to its investment. The General Partner undertakes a full assessment of each entity's potential for value creation prior to entering into a new transaction. Thereafter, the performance of each investment is continually monitored. Further information about the Partnership's sensitivity to changes in the fair value of equity investments is set out below.

At the reporting date, the carrying value of investments amounted to AUD580 (2015: AUD 448). For investments carried at fair value through profit or loss, changes in fair value would have a direct impact on total comprehensive income for the year. The impact on the statement of comprehensive income of a 10% decline in the fair value of the investments held would be to decrease profit for the year by AUD58 (2015: AUD45).

#### **Liquidity risk**

Liquidity risk is the risk that the Partnership will not be able to meet its financial obligations as they fall due. The Partnership's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient financial resources and liquidity to meet its liabilities when due. The Partnership's activity is funded by long-term funding, and hence the Limited Partners do not have the option to withdraw their investment in the Partnership. The Partnership is exposed to limited liquidity risk.

The Partnership's investment is in a fund for which there is no active market and, therefore, such an investment could take time to realise and there is no assurance that the valuations placed on the investment would be achieved from any such sale process.

#### **Capital risk management**

The capital structure of the Partnership consists of Limited Partners' capital. The General Partner's policy when managing capital is to safeguard the Partnership's ability to continue as a going concern in order to provide returns for the Limited Partners and to sustain the future development of the business. In order to maintain or adjust the capital structure, the Partnership may call undrawn capital from the Limited Partners. The Partnership is not subject to externally imposed capital requirements. There were no changes in the Partnership's approach to capital management during the year.

#### **Fair value estimation**

The fair value hierarchy consists of the following three levels:

- Level 1: unadjusted quoted prices 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 or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).



## Notes to the financial statements (continued)

The financial instruments measured at fair value through profit and loss are level 3 financial instruments. The fair value of these financial instruments is the total capital contributed by the Limited Partners. There were no transfers between the hierarchies detailed above during the year.

### 7. Related party transactions

The General Partner, and Directors of the General Partner, received no remuneration in respect of their services to the Partnership. The emoluments of the Directors were paid by a fellow group undertaking, which made no recharge to the Partnership. The Partnership has no employees.

For the year ended 31 December 2016, the financial statements audit fee of AUD 5,119 will be paid by the initial Limited Partner, Aberdeen UK Infrastructure Carry Limited.

There were no transactions with the General Partner during the year (2015: AUD nil).

**Aberdeen European Infrastructure Partners Carry II LP**

**Annual report and financial statements**

**For the period from 6 August 2015 to 31 December 2016**

**Partnership Registration**

**SL021770**



## Contents

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## Partnership information

**General Partner** Aberdeen European Infrastructure Carry GP Limited  
10 Queen's Terrace  
Aberdeen  
AB10 1YG

**Directors of General Partner** A McCaffery  
H Clayton  
D Pinder

**Registered Office** 10 Queen's Terrace  
Aberdeen  
AB10 1YG

**Independent Auditors** PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX

## Report of the General Partner

The General Partner presents its annual report and financial statements for Aberdeen European Infrastructure Partners Carry II LP (the "Partnership") for the period ended 31 December 2016.

In preparing this report, the General Partner has taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 and has not prepared a strategic report.

### Limited partnership

The Partnership was established on 6 August 2015 and is registered as a limited partnership in Scotland under the Limited Partnerships Act 1907, with registration number SL021770.

### Business review and principal activity

The Partnership's principal activity is to invest as a carried interest partner in two Limited Partnerships (the "Funds"), namely Aberdeen European Infrastructure Partners II LP, with registration number 016100; and Aberdeen European Infrastructure Co-Invest II LP, with registration number 016762. The limited partnerships are registered in England under the Limited Partnerships Act 1907. There are no plans to change the principal activity of the Partnership.

### Principal risks and uncertainties

The key risks and uncertainties faced by the Partnership are managed within the framework established by the General Partner. Exposures to market risk, investment risk, credit risk, liquidity risk and capital risk arise in the normal course of the Partnership's business. These risks are discussed, and supplementary qualitative and quantitative information is provided, in note 5. The Partnership's liquidity risk is managed by the General Partner.

### Results

During the period, the Partnership did not trade and made neither a profit nor loss. No dividend is recommended in respect of the period.

### Key performance indicators (KPIs)

Given the straightforward nature of the business, the General Partner is of the opinion that analysis using KPIs is not necessary for the understanding of the development, performance or position of the business.

### Going concern

The General Partner considers that the Partnership has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the General Partner has taken into account all available information, including existing limited partner capital and future operating and liquidity requirements. Consequently the going concern basis is appropriate when preparing the financial statements.

### Directors' indemnities

The Directors of the General Partner benefited from qualifying third party indemnity provisions, which were in place during the financial period and at the date of signing the financial statements.

### Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the financial statements for each financial period which give a true and fair view, in accordance with applicable law and the Limited Partnership Agreement of the state of affairs of the Partnership and of the results of the Partnership for that period. The General Partner has determined that the financial statements will be prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union, as opposed to United Kingdom Generally Accepted Accounting Practice as set out in the Limited Partnership Agreement, to ensure that these financial statements are prepared on a consistent basis with its linked entities.

In preparing these financial statements the General Partner is also required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Partnership will continue in business.

## **Report of the General Partner (continued)**

### **Statement of General Partner's responsibilities in respect of the financial statements (continued)**

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable the General Partner to ensure that the financial statements comply with applicable law and IFRSs as adopted by the European Union. The General Partner is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The General Partner is required to act in the best interest of the Partnership and perform its obligations under the Limited Partnership Agreement dated 18 September 2015.

### **Disclosure of information to auditors**

In the case of each of the persons who are Directors of the General Partner at the time when this report was approved, the following applies:

So far as each of the Directors is aware, there is no relevant audit information of which the Partnership's auditors are unaware. Each of the Directors have taken all of the steps that ought to have been taken as Director of the General Partner in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

Signed on behalf of Aberdeen European Infrastructure Carry GP Limited by:



H Clayton  
Director  
27 September 2017

## ***Independent auditors' report to the members of Aberdeen European Infrastructure Partners Carry II LP***

### **Report on the financial statements**

---

#### **Our opinion**

In our opinion, Aberdeen European Infrastructure Partners Carry II LP's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2016 and of its result and cash flows for the 17 month period (the "period") then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

#### **What we have audited**

---

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the Statement of financial position as at 31 December 2016;
- the Cash flow statement for the period then ended;
- the Statement of changes in net assets attributable to the Limited Partners for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the general partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

#### **Opinion on other matter prescribed by the Companies Act 2006 as applied to qualifying partnerships**

---

In our opinion, the information given in the Report of the General Partner for the financial period for which the financial statements are prepared is consistent with the financial statements.

#### **Other matters on which we are required to report by exception**

---

##### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

##### **General Partner's remuneration**

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, certain disclosures of general partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

##### **Entitlement to exemptions**

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, the general partner were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

---

## Responsibilities for the financial statements and the audit

---

### Our responsibilities and those of the general partner

As explained more fully in the Statement of General Partner's responsibilities in respect of the financial statements set out on page 2, the general partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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### What an audit of financial statements involves

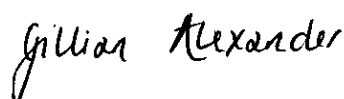
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the general partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the general partner's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Gillian Alexander (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Edinburgh  
27 September 2017



## Statement of financial position

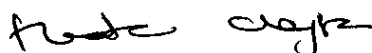
As at 31 December 2016

	Note	2016 €
<b>Assets</b>		
<b>Non-current assets</b>		
Financial assets at fair value through profit and loss	3	794
<b>Current assets</b>		
Cash and cash equivalents		581
<b>Total Assets</b>		<b>1,375</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Payables	4	581
<b>Net assets attributable to the Limited Partners</b>		<b>794</b>
<b>Represented by:</b>		
Limited Partners' capital		794

There is no comprehensive income for the current financial period. Accordingly, no statement of comprehensive income has been presented.

The notes on pages 9 to 12 form part of these financial statements.

These financial statements were authorised for issue by the Board of Directors of the General Partner of the Partnership on its behalf by:



H Clayton  
Director  
27 September 2017

## Statement of changes in net assets attributable to the Limited Partners

*At 31 December 2016*

	<b>2016</b>
	<b>€</b>
Net assets attributable to the Limited Partners at 6 August 2015	-
Limited Partners' capital contributions	<u>794</u>
<b>Net assets attributable to the Limited Partners at 31 December</b>	<u><b>794</b></u>

The notes on pages 9 to 12 form part of these financial statements.

## Cash flow statement

*For the period ended 31 December 2016*

	2016
<b>Cash flows from operating activities</b>	-
Increase in payables	581
<b>Cash generated from operating activities</b>	<b>581</b>
Net increase in cash and cash equivalents	581
Cash and cash equivalents at 6 August 2015	-
<b>Cash and cash equivalents at 31 December</b>	<b>581</b>

The notes on pages 9 to 12 form part of these financial statements.

## Notes to the financial statements

### 1. General information

The Partnership was established as a limited partnership under the laws of Scotland. The address of its registered office is 10 Queen's Terrace, Aberdeen, AB10 1YG. The Partnership is managed by the General Partner.

These financial statements were authorised for issue by the Board of Directors of the General Partner on 27 September 2017.

### 2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout current period, unless otherwise stated.

#### *Basis of preparation*

The financial statements of the Partnership have been prepared in accordance with IFRSs as adopted by the European Union, as determined by the General Partner. The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. There are currently no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

The Partnership's capital is denominated in Euro. The performance of the Partnership is measured and reported to the investors in Euro. The General Partner considers Euro as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Euro, the Partnership's functional and presentational currency. The Pound to Euro exchange rate at 31 December 2016 is 1.1715.

#### *Disclosure impact of new and future accounting standards*

##### *Amended standards and interpretations*

No amendments or interpretations have been issued that are considered to have a material impact on the Partnership's financial statements. Standards, amendments and interpretations to existing standards that are not yet effective have not been early adopted by the Partnership.

The following standard has been published and is mandatory for the Partnership's accounting periods beginning on or after 1 January 2018, but the Partnership has not early adopted the standard:

- IFRS 9 'Financial instruments' is effective for accounting periods on or after 1 January 2018. The Partnership does not expect the adoption of this standard to have a material impact on the financial statements.

All other amendments not yet effective and not included above are not material or applicable to the Partnership.

#### *Financial instruments*

##### *Classification*

The Partnership classifies its investment interests as financial assets at fair value through profit or loss. Payables are classified as other financial liabilities.

##### *Recognition, derecognition and measurement*

Payables are initially recognised at fair value and subsequently stated at amortised cost using the effective interest rate method. As the payables are short-term in nature, the carrying value approximates to the amortised cost. Payables are derecognised when the obligation under the liability is discharged, cancelled or expires.

## Notes to the financial statements (continued)

### 2. Accounting policies (continued)

#### *Financial instruments (continued)*

##### *Recognition, derecognition and measurement (continued)*

Purchases and sales of investments are recognised on trade date, the date on which the Partnership commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Partnership has transferred substantially all risks and rewards of ownership.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Partnership has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Fair value measure adjustments are presented in the statement of comprehensive income as they arise.

##### *Fair value estimation*

Fair value is 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. The fair value of the investment interest approximates to the total capital contributed.

##### *Offsetting*

The Partnership has no financial assets or financial liabilities, which are subject to offsetting or similar agreements.

### 3. Financial assets at fair value through profit and loss

	2016 €
Aberdeen European Infrastructure Partners II LP	636
Aberdeen European Infrastructure Co-Invest II LP	158
	<u>794</u>

### 4. Payables

	2016 €
Payables to group companies	<u>581</u>

Amounts payable to group companies are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## Notes to the financial statements (continued)

### 5. Financial risk management

This note presents information about the Partnership's exposure to financial risks, primarily in relation to its interests in the Funds. This investment is structured at the outset to minimise financial risks of acquiring and holding the investment.

#### *Market risk*

Market risk arises from fluctuations in the fair value of future cash flows of a financial instrument because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. As the Partnership's investment represents carried interest in the Funds, which is not dependent on market prices and is denominated in Australian Dollar, market risk is not considered to be significant.

#### *Credit risk*

Credit risk is the risk that one party to a financial instrument will be unable or unwilling to meet a commitment that it has entered into with the Partnership. The main concentration of credit risk to which the Partnership is exposed arises from the Partnership's investment holding, which is not considered to be significant. Cash and cash equivalents are held with an A rated financial institution.

The maximum exposure to credit risk over financial assets is the carrying value of those assets in the Statement of Financial Position. As at 31 December 2016, the Partnership did not have any overdue or impaired balances.

#### *Investment risk*

Investment risk arises from the Partnership's exposure to its investment. The General Partner undertakes a full assessment of each entity's potential for value creation prior to entering into a new transaction. Thereafter, the performance of each investment is continually monitored. Further information about the Partnership's sensitivity to changes in the fair value of equity investments is set out below.

At the reporting date, the carrying value of investments amounted to €794. For investments carried at fair value through profit or loss, changes in fair value would have a direct impact on total comprehensive income for the period. The impact on the statement of comprehensive income of a 10% decline in the fair value of the investments held would be to decrease profit for the period by €79.

#### *Liquidity risk*

Liquidity risk is the risk that the Partnership will not be able to meet its financial obligations as they fall due. The Partnership's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient financial resources and liquidity to meet its liabilities when due. The Partnership's activity is funded by long-term funding, and hence the Limited Partners do not have the option to withdraw their investment in the Partnership. The Partnership is exposed to limited liquidity risk.

The Partnership's investment is in funds for which there is no active market and, therefore, such an investment could take time to realise and there is no assurance that the valuations placed on the investment would be achieved from any such sale process.

#### *Capital risk management*

The capital structure of the Partnership consists of Limited Partners' capital. The General Partner's policy when managing capital is to safeguard the Partnership's ability to continue as a going concern in order to provide returns for the Limited Partners and to sustain the future development of the business. In order to maintain or adjust the capital structure, the Partnership may call undrawn capital from the Limited Partners. The Partnership is not subject to externally imposed capital requirements. There were no changes in the Partnership's approach to capital management during the period.

## Notes to the financial statements (continued)

### 5. Financial risk management (continued)

#### *Fair value estimation*

The fair value hierarchy consists of the following three levels:

- Level 1: unadjusted quoted prices 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 or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The financial instruments measured at fair value through profit and loss are level 3 financial instruments. The fair value of these financial instruments is the total capital contributed by the Limited Partners. There were no transfers between the hierarchies detailed above during the period.

### 6. Related party transactions

The General Partner, and Directors of the General Partner, received no remuneration in respect of their services to the Partnership. The emoluments of the Directors were paid by a fellow group undertaking, which made no recharge to the Partnership. The Partnership has no employees.

For the period ended 31 December 2016, the financial statements audit fee of €3,514 will be paid by the initial Limited Partner, Aberdeen European Infrastructure Carry Limited.

There were no transactions with the General Partner during the period.