**Green Investment Group Investments Limited**
Company Number SC576143

Strategic Report, Directors' Report and Financial Statements
for the financial year ended 31 March 2023

MACQUARIE

The Company's registered office is:

Atria One
144 Morrison Street
Edinburgh, EH3 8EX
United Kingdom

# Green Investment Group Investments Limited

## 2023 Strategic Report, Directors' Report and Financial Statements

## Contents

# Strategic Report
# for the financial year ended 31 March 2023

In accordance with a resolution of the Directors (the "Directors") of Green Investment Group Investments Limited (the "Company"), the Directors submit herewith the Strategic Report of the Company as follows:

## Principal activities

The principal activities of the Company during the financial year ended 31 March 2023 are the making and selling of investments and loans which give effect to the green objective as set out in the Company's Articles of Association.

## Review of operations

The profit for the financial year ended 31 March 2023 was £409,003,000, as compared to the profit of £11,343,000 in the previous year.

Net operating income for the financial year ended 31 March 2023 was £397,987,000, as compared to the net operating income of £3,657,000 in the previous year. The year-on-year change was due to dividend income of £377,651,000 received as well as £77,508,000 arising from a gain on the sale of certain investments, partially offset by various administrative and operating expenses.

Total operating expenses for the financial year ended 31 March 2023 were £57,171,000 as compared to £8,819,000 in the previous year. The year-on-year change was driven by increases in internal service fees as well as a fair value loss on financial assets.

As at 31 March 2023, the Company had net assets of £254,542,000 (2022: £380,039,000). The year-on-year change was due to increased long-term funding from other Macquarie undertakings partially offset by additional funding provided to the subsidiaries.

## Principal risks and uncertainties

The Company is responsible for its own risk acceptance decisions. From the perspective of the Company, the principal risks are credit risk, liquidity risk, interest rate risk, foreign exchange risk, operational risk, group risk, conduct risk, strategic/business risk, environmental and social risk (including climate change), financial crime risk, technology and cyber risk and reputational risk. The principal risks of the Company are monitored by the relevant division of the Risk Management Group ("RMG") of the Macquarie Group (Macquarie Group comprising Macquarie Group Limited ("MGL"), the ultimate parent of the Company, and its subsidiaries). There are currently no plans to substantially change the nature of the business going forward.

The range of factors that may influence the Company's short-term outlook include:

- broader market volatility and weaker consumer sentiments driven by the recent banking concerns and ongoing macro-economic uncertainty, although the direct impact on the firm from banking concerns is broadly immaterial.
- global inflation and interest rates, and the impact of geopolitical events.
- potential tax or regulatory changes.
- completion of period-end reviews and the completion rate of transactions.

The risk presented by the Russia-Ukraine conflict is managed by the Company within the framework of the overall strategy and risk management structure of the Macquarie Group.

The continued impact and uncertainty surrounding the Russia-Ukraine conflict have been monitored throughout the year for the Company by RMG. There was no significant direct financial impact, and the Company has continued to operate effectively throughout the period.

# Strategic Report
# for the financial year ended 31 March 2023 (continued)

## Principal risks and uncertainties (continued)

The Directors have assessed the impact of the high interest rate and inflationary environment on the Company. The Directors have concluded that these did not have a material impact on the operations of the Company during the current financial period.

The Company is not subject to any other principal risks or uncertainties, over and above those stated.

## Risk management

Risk is an integral part of the Macquarie Group's businesses. The Company is exposed to a variety of financial risks that include the effects of credit, liquidity and market risk. Additional risks faced by the Company include operational, legal, compliance and documentation risk. The primary responsibility for management of these risks lies with the individual businesses giving rise to them. It is the responsibility of RMG to ensure appropriate assessment and management of these risks.

As an indirect subsidiary of MGL, the Company manages risk within the framework of the overall strategy and risk management structure of the Macquarie Group. RMG is independent of all other areas of the Macquarie Group, reporting directly to the Managing Director and the Board of MGL. The Head of RMG is a member of the Executive Committee of MGL. RMG authority is required for all material risk acceptance decisions. RMG identifies, quantifies and assesses all material risks and sets prudential limits. Where appropriate, these limits are approved by the Executive Committee and MGL Board. The risks to which the Company is exposed are managed on a globally consolidated basis for MGL as a whole, including all subsidiaries, in all locations. Macquarie Group's internal approach to risk ensures that risks in subsidiaries are subject to the same rigour and risk acceptance decisions.

### Financial Risk Management

### Credit Risk

Credit risk is the risk that a counterparty will fail to complete its contractual obligations when they fall due. Credit exposures, approvals and limits are controlled with the Macquarie Group's credit framework, as established by RMG.

### Liquidity Risk

Liquidity risk is the risk of an entity encountering difficulty in meeting obligations with financial liabilities. Liquidity management is performed centrally by Group Treasury, with oversight from the Asset and Liability Committee ("ALCO"). The Directors have adopted the risk model used by the Macquarie Group, as approved by RMG. This model is incorporated into the Macquarie Group's risk management systems to enable the Company to manage this risk effectively.

### Interest rate risk

The Company has both interest-bearing assets and interest-bearing liabilities. Interest bearing assets include cash balances and receivables from other Macquarie Group undertakings and external parties, all of which earn a variable rate of interest. Interest bearing liabilities include payables to other Macquarie Group undertakings and external parties, which also incur a variable rate of interest.

### Foreign exchange risk

The Company has foreign exchange exposures which include amounts receivable from and payable to other Macquarie Group undertakings and external parties which are denominated in non-functional currencies. Any material non-functional currency exposures are managed by applying Macquarie Group's Group-wide process of minimising exposure at an individual Company level.

# Strategic Report
# for the financial year ended 31 March 2023 (continued)

## Risk management (continued)

### Non-Financial Risk Management

**Operational risk**
The Company operates within a global framework which is applied consistently across all business lines within the Macquarie Group for the identification, monitoring, management and reporting of operational risk. Operational risk management occurs largely as part of the normal day to day running of each business with the framework, policies and oversight being managed at a central level by RMG. The framework can be tailored to the risk profile of each business, but each business must comply with certain mandatory aspects.

**Group risk**
The risk that the actions and activities of one part of the Macquarie Group may compromise the financial, operational and reputational position of the Company. Management of financial group risk is embedded across underlying governance documents and committees relating to financial exposures. Management of reputation risk is embedded throughout the risk management framework and considered in the assessment of all risk types. Intragroup outsourcing is governed in accordance with the internal Macquarie Group's policies.

**Conduct risk**
The risk of behaviour, action or omission by individuals on behalf of the Company or taken collectively in representing the Company that may have a negative outcome for the Company's clients, counterparties, the communities and markets in which it operates, or the Company. The Company's approach to conduct risk management is integrated in its risk management framework.

**Regulatory & compliance risk**
The risk of failure to comply with laws, regulations, rule statements of regulatory policy, and codes of conduct applicable to the Company's financial services and other regulated activities. Frameworks have been established to manage the identification, escalation, management and reporting of regulatory and compliance risks across the Macquarie Group. These frameworks include policies, guidelines and standards which have been implemented to guide compliance.

**Strategic/Business risk**
The risk of the Company's business model being inadequate in the medium to long term. 'Strategic and Business' risk is managed and controlled through the annual strategy and business planning process. The Company Board ("Board") has regular oversight of the business risk in the Company.

**Environmental & social risk (including climate change)**
The risk of reputational or financial impacts due to failure to identify or manage material environmental or social issues arising from or with respect to the Company's investment, financing, client activities or supply chain. Under the Code of Conduct all staff share responsibility for identifying and managing environmental and social issues as part of normal business practice. Staff are supported by the RMG environmental and social risks ("ESR") team, as well as through access to the environmental and social risk training.

# Strategic Report
# for the financial year ended 31 March 2023 (continued)

## Risk management (continued)

### Non-Financial Risk Management (continued)

**Financial crime risk**
The risk of knowingly or unknowingly perpetuating or helping parties to commit or to further potentially illegal activity through the Company. Financial crime risk encompasses the risks of money laundering, terrorism financing, bribery and corruption, and sanctions. The RMG Financial Crime Risk team ('FCR') manages and oversees financial crime risk, engages with regulators and maintains and monitors the effectiveness of global financial crime risk frameworks, programs and policies for the Macquarie Group.

**Technology and cyber risk**
The risk of loss resulting from failure, inadequacy or misuse of technology and technology resources owned, managed or supplied by the Company including technology outsourced and/or managed on behalf of the Company. The RMG Operational Risk & Governance team is responsible for the independent oversight of technology risk.

**Reputational Risk**
The risk of damage to Macquarie Group's reputation from the perspective of our clients, shareholders, regulators, staff or the communities and markets in which we operate. Reputational risks are managed by risk management frameworks applied to all Operating and Central Service Groups.

## Section 172 (1) Statement

The Directors of the Company consider, both individually and collectively, that they have acted in the way that would most likely promote the success of the Company for the benefit of its members as a whole (having regard to relevant stakeholders and matters set out in section 172(1) (a-f) of the Companies Act 2006) in decisions taken during the year ended 31 March 2023. To the extent necessary for an understanding of the development, performance and position of the Company, an explanation of how the Directors considered these matters is set out in the Directors' report on pages 8 to 10.

The following sets out the requirements of section 172 (1) and notes how the Directors have discharged their duties. In doing so they have had regard to matters including those in respect of the Company's stakeholders, who are principally Macquarie Group's shareholders, employees, internal and external customers.

**(a) Likely consequences of any decision in the long term:**
The Company is a wholly owned subsidiary of MGL and the Macquarie Group and therefore complies with the policies and practices, ethical and business standards that are set by the MGL Board and are described in the MGL Annual Report. The following statement should therefore be read in conjunction with the MGL Annual Report.

Any decision taken is aligned to the wider Macquarie Group and made in accordance with Macquarie's Code of Conduct (the "Code") and based on the three principles of - Opportunity, Accountability and Integrity. Macquarie's purpose of 'empowering people to innovate and invest for a better future' is deeply embedded in Macquarie's culture and is underpinned by these longstanding operating principles. Before a proposal is brought to the Board for approval, it will have gone through a series of internal approvals, in accordance with the Macquarie Group's risk management framework. Macquarie adopts a conservative approach to risk management which is underpinned by a sound risk culture. Macquarie's robust risk management framework and risk culture are embedded across all Macquarie Group's operations.

To facilitate good decision making, Directors meet as required with documentation circulated in advance. Where relevant this may include diligence on financial impacts, as well as non-financial factors to allow them to fully understand the performance and position of the Company, along with the matters that are to be discussed.

## Strategic Report
## for the financial year ended 31 March 2023 (continued)

### Section 172 (1) Statement (continued)

**(a) Likely consequences of any decision in the long term (continued):**
The principal activity of the Company during the year was the making and selling of investments and loans which give effect to the green objective (the "Green Objective") as set out in the Company's Articles of Association. Key decisions which the Board met to consider during the year included:

a) Approval of the statutory financial statements of the Company;
b) Approval of a reduction of the Company's issued share capital;
c) Approval of the payment of a dividend to the Company's sole shareholder;
d) Approval of the making of investments and loans in respect of certain existing subsidiaries of the Company;
e) Approval of various new investments and loans to be made by the Company during the financial year, having due regard to the Green Objective; and
f) Approval of various divestment proposals during the financial year, having due regard to the Green Objective.

In connection with the fulfilment of the Green Objective, all prospective Green Investment Group ("GIG") investments are subject to a detailed green rating assessment, which scrutinises an investment's alignment with the Green Objective and GIG's Green Investment Principles by measuring the contribution to GIG's Green Purposes and its alignment with the GIG Green Investment Policy. The findings of this process are presented as a Green Opinion within the documentation for consideration as part of the investment decision making process.

New investments made under the GIG or affiliated brands continued to be made by the Company's direct and indirect subsidiaries and licensees during the financial year ended 31st March 2023, and each such GIG investment is subject to a specific review to determine the likelihood of the investment aligning with the Green Objective and GIG's Green Investment Principles. GIG investments made outside of Europe may be made by other Macquarie Group entities using the GIG name and brand for trading and marketing purposes. However, those entities are only permitted to do this in return for a contractual undertaking that any activities will be compliant with the Company and GIG's Investment Principles and Green Investment Policy.

Further details on GIG's Green Investment Principles, Green Investment Policy and Green Purposes can be found at: https://www.greeninvestmentgroup.com/who-we-are/measuring-our-impact.html

**(b) Interests of the Company's workforce:**
Though the Company itself does not have any direct employees (the Company utilises the services of employees employed by the Macquarie group via a range of internal shared services agreements) the workforce's culture, values, behaviours, performance, and engagement drive how it serves its customers and interacts with suppliers.

**(c) Business relationships with suppliers, customer and others:**
The Board is cognisant of the stakeholders of the Company and the importance of strong relationships, coupled with appropriate levels of communication and engagement. The Board oversees how the Company deals with its various business relationships, including by way of regular Board reporting with respect to business performance and risk management.

The Company and GIG are committed to being active citizens in the global green community. GIG participates in over 40 membership organisations around the world, in which its team members hold a number of key positions.

# Strategic Report
# for the financial year ended 31 March 2023 (continued)

## *Section 172 (1) Statement (continued)*

**(c) Business relationships with suppliers, customer and others (continued):**

Suppliers: Macquarie Group is committed to ensuring high standards of environmental, social and governance performance across its supply chain. This commitment is driven by our business principles. Macquarie Group has put in place a Supplier Governance Policy to manage the risks associated with suppliers who provide the Macquarie Group with high inherent risk goods or services, and also 'Principles for Suppliers' to help uphold our core values with the aim of having supplier relationships that create long-term and sustainable value for our clients, shareholders and community.

Through GIG's workplace health and safety programme, we seek to support our development teams in applying responsible criteria to their supplier selection and procurement activities.

**Customers:** As a holding company for other Macquarie Group entities, the Company's customers are predominantly internal to the Macquarie Group subsidiaries and affiliates, however the Company also had external customers during the financial year. Along with the publicly available disclosures on the Macquarie website and through the GIG Progress Report, Macquarie looks to the Company's workforce (including the Directors) to keep customers informed about the depth, breadth and scale of our capabilities in line with local rules and regulations on financial promotions while offering our products in a highly regulated financial services environment in EMEA. Macquarie Group's publicly available EMEA Terms of Business embed our commitment to the principle of treating customers fairly into all of the Company's business.

**(d) *Community and the environment* :**

The Board and Management recognise the importance of sound Environmental, Social and Governance ("ESG") practices as part of their responsibility to their clients, shareholders, communities, staff and the environment in which the Company operates. ESG considerations are embedded in both our operational and investment decision-making, along with the asset management frameworks that inform how our portfolio companies assess and improve their performance.

As a subsidiary of the Macquarie Group, the Company has committed to the Group's ESG approach, which is structured around focus areas considered to be material to our business. Assessing and managing Macquarie Group wide ESG risks is a key business priority and an important component of Macquarie's broader risk management framework, to which the Company is subject.

Clear dialogue with stakeholders is important to building strong relationships, understanding external dynamics, earning and maintaining trust, enhancing business performance and evolving our ESG approach. The Macquarie Group regularly engage with a broad range of stakeholders including clients, shareholders, investors, analysts, governments, regulators, the workforce, suppliers and the wider community.

Macquarie Group recognises that failure to manage ESG and Work Health and Safety ("WHS") risks could affect communities, the environment and other external parties, and expose the organisation to commercial, reputational and regulatory impacts. GIG's approach to environmental and social responsibility is governed by Macquarie Asset Management ('MAM') Environmental, Social and Governance (ESG) framework, which is aligned to the Macquarie Group Environmental and Social Risk (ESR) policy. This policy establishes the processes for identifying, assessing, managing, mitigating and reporting material environmental and social risks.

Alongside Macquarie's investment commitments and work with clients to deliver practical solutions, Macquarie and GIG play an active role in the mobilisation of private capital through our participation in global initiatives.

# Strategic Report
# for the financial year ended 31 March 2023 (continued)

## Section 172 (1) Statement (continued)

**(d) Community and the environment (continued) :**
GIG's mission is to accelerate the transition to net zero. To support this mission, GIG operates as part of MAM. The combined teams aim to significantly enhance Macquarie's capacity to mobilise institutional capital for the transition and provide greater scale of decarbonisation solution for clients, portfolio companies, communities and the environment.

The Board acknowledges the work of the Macquarie Group Foundation (the "Foundation"), which is the philanthropic arm of Macquarie. The Foundation encourages Macquarie's employees to give back to the communities in which they live and work by contributing service, financial support and leadership to the community organisations they feel passionately about.

**(e) Reputation for high standards:**
The reputations of the Company, GIG and the Company's Directors are fundamental to the long-term success of the Company and significant effort is expended to ensure that performance and processes attain and wherever possible exceed expectations. The Macquarie Group and the Company are committed to maintaining high ethical standards – adhering to laws and regulations, conducting business in a responsible way and treating all stakeholders with honesty and integrity. These principles are further reflected in the Code.

**(f) Need to act fairly as between members of the Company:**
The Company is a separate legal entity and is therefore making this statement as such, but in practical terms, the Company is part of a wider group and in addition to promoting the success of the Company as a whole, the duties of the directors of the Company are exercised in a way that is most likely to promote the success of the Company for the Macquarie Group as a whole, while having regard to factors outlined in section 172(1) Companies Act 2006.

On behalf of the Board,

Philipp Rasi De Mel
Director

19 December 2023

# Directors' Report
## for the financial year ended 31 March 2023

In accordance with a resolution of the Directors of the Company, the Directors submit herewith the audited financial statements of the Company and report as follows:

### Directors and Secretaries

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

M Dooley
P Knott (resigned on 9 August 2022)
E Northam
P Rasi de Mel (appointed on 9 August 2022)

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

H Everitt

### Results

The profit for the financial year ended 31 March 2023 was £409,003,000 (2022: £11,343,000).

### Dividends

Interim dividends of £534,500,050 (2022: £nil) were paid during the current financial year. No other dividend has been

### State of affairs

On 27 March 2023, the Company reduced the nominal value of its 269,000,100 issued shares from £1.00 to £0.50, thus decreasing the issued share capital from £269,000,100 to £134,500,050. The number of issued shares remains unchanged.

There were no other significant changes in the state of affairs of the Company that occurred during the current financial year under review not otherwise disclosed in the Strategic/Directors' Report.

### Going concern

The Company has an excess of current assets over current liabilities at 31 March 2023 of £213,820,000. The Company continues to be profitable and the Directors expect the current business will continue for the foreseeable future.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

### Events after the reporting date

At the date of this report, the Directors are not aware of any matter or circumstance which has arisen that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial years subsequent to 31 March 2023 not otherwise disclosed in this report.

# Directors' Report

## for the financial year ended 31 March 2023 (continued)

## Likely developments, business strategies and prospects

**Russia-Ukraine conflict**

The risk presented by the Russia-Ukraine conflict is managed by the Company within the framework of the overall strategy and risk management structure of the Macquarie Group.

The continued impact and uncertainty surrounding the Russia-Ukraine conflict have been monitored throughout the year for the Company by RMG. There was no significant direct financial impact and the Company has continued to operate effectively throughout the period.

**Global inflation and high interest rates**

The Directors have assessed the impact of the high interest rate and high inflationary environment on the Company. The Directors have concluded that these did not have a material impact on the operations of the Company during the current financial period.

The Directors believe that no other significant changes are expected other than those already disclosed in this report and the Strategic Report.

The principal activities, review of operations and the financial risk management objectives and policies of the Company and the exposure of the Company to credit risk, liquidity risk, interest rate risk, foreign exchange risk, operational risk, group risk, conduct risk, strategic/business risk, environmental and social (including climate change), financial crime risk, technology and cyber risk and reputational risk are contained within the Strategic Report.

## Indemnification and insurance of Directors

As permitted by the Company's Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and also at the date of approval of the financial statements. The ultimate parent purchased and maintained throughout the financial year directors' liability insurance in respect of the Company and its Directors.

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

The Directors are responsible for preparing the Strategic Report, Directors' Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

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

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

# Directors' Report

## for the financial year ended 31 March 2023 (continued)

## Statement of Directors' responsibilities in respect of the financial statements (continued)

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

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

## Streamlined energy and carbon reporting ("SECR") requirement

The Company consumed less than 40MWh for the financial year ended 31 March 2023 and for this reason the Company is not required to disclose energy and carbon information in this report.

## Directors' confirmations

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

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

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

## Independent auditors

*Pursuant to section 487(2) of the Companies Act 2006, the auditors of the Company are deemed re-appointed for each* financial year unless the Directors or the members of the Company resolve to terminate their appointment. The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and, as at the date of these financial statements, the Directors are not aware of any resolution to terminate the appointment of the auditors.

On behalf of the Board

Philipp Rasi De Mel
Director

19 December 2023

## Profit and loss account
## for the financial year ended 31 March 2023

| | Note | 2023 £'000 | 2022 £'000 |
|---|---|---|---|
| Turnover | 4 | **377,651** | 12,821 |
| Net gain/(loss) on investments | 4 | **77,508** | (345) |
| Administrative expenses | 4 | **(37,602)** | (6,789) |
| Other operating expenses | 4 | **(19,570)** | (2,030) |
| ***Operating profit*** | | **397,987** | 3,657 |
| | | | |
| Interest receivable and similar income | 4 | **35,530** | 14,016 |
| Interest payable and similar expenses | 4 | **(29,430)** | (5,695) |
| **Profit before taxation** | 4 | **404,087** | 11,978 |
| Tax on profit | 5 | **4,916** | (635) |
| **Profit for the financial year** | | **409,003** | 11,343 |

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

Turnover and profit before taxation relate wholly to continuing operations.

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

# Green Investment Group Investments Limited
Company Number SC576143

## Balance sheet as at 31 March 2023

| | Note | 2023 £'000 | 2022 £'000 |
|---|---|---|---|
| **Fixed assets** | | | |
| Investments in subsidiaries | 8 | **301,580** | 357,806 |
| Loan assets | 9 | **421,517** | 262,581 |
| **Current assets** | | | |
| Debtors | 10 | **261,805** | 129,281 |
| Held for sale assets | 11 | **9,048** | 8,290 |
| Deferred tax assets | 6 | **419** | - |
| **Current liabilities** | | | |
| Creditors: amounts falling due within one year | 12 | **(57,452)** | (51,704) |
| **Net current assets** | | **213,820** | 85,867 |
| **Total assets less current liabilities** | | **936,917** | 706,254 |
| Creditors: amounts falling due after more than one year | 13 | **(680,354)** | (326,215) |
| Provisions for liabilities | 14 | **(2,021)** | - |
| **Net assets** | | **254,542** | 380,039 |
| **Capital and reserves** | | | |
| Called up share capital | 15 | **134,500** | 269,000 |
| Profit and loss account | 16 | **120,042** | 111,039 |
| **Total capital and reserves** | | **254,542** | 380,039 |

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

The financial statements on pages 11 to 35 were approved by the Board of Directors on 19 December 2023 and were signed on its behalf by:

Philipp Rasi De Mel
Director

## Statement of changes in equity for the financial year ended 31 March 2023

| | Note | Called up share capital £'000 | Profit and loss account £'000 | Total capital and reserves £'000 |
|---|---|---|---|---|
| **Balance as at 1 April 2021** | | 269,000 | 99,696 | 368,696 |
| Profit for the financial year | 16 | - | 11,343 | 11,343 |
| Total comprehensive income | | - | 11,343 | 11,343 |
| **Balance as at 31 March 2022** | | **269,000** | **111,039** | **380,039** |
| Profit for the financial year | 16 | - | 409,003 | 409,003 |
| Total comprehensive income | | - | 409,003 | 409,003 |
| Transactions with equity holders in their capacity as ordinary equity holders: | | | | |
| Reduction of share capital | 15 | (134,500) | 134,500 | - |
| Dividends paid | 7 | - | (534,500) | (534,500) |
| **Balance as at 31 March 2023** | | **134,500** | **120,042** | **254,542** |

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

# Notes to the financial statements
# for the financial year ended 31 March 2023

## Note 1. Company information

The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom and registered in Scotland. The address of its registered office is Atria One, 144 Morrison Street, Edinburgh, EH3 8EX, United Kingdom.

The principal activities of the Company during the financial year ended 31 March 2023 are the making and selling of investments and loans which give effect to the green objective as set out in the Company's Articles of Association.

## Note 2. Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101") and have been prepared in accordance with the provisions of the Companies Act 2006.

The financial statements contain information about the Company as an individual Company and do not contain consolidated financial information as a parent of a group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in full consolidation in the consolidated financial statements of its ultimate parent MGL, a company incorporated in Australia. These financial statements are separate financial statements.

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

### (i) Going concern

As at 31 March 2023, the Company had net assets of £254,542,000 (2022: £380,039,000). The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

### (ii) Basis of measurement

The financial statements have been prepared in accordance with the Companies Act 2006 and under the historical cost convention except for the following items:

- financial instruments (including derivatives) required to be measured at fair value through profit or loss ("FVTPL"); and
- financial assets and liabilities that are otherwise measured on an amortised cost basis or on a cost basis but adjusted for changes in fair value attributable to the risk being hedged in qualifying fair value hedge relationships.

### (iii) Disclosure exemptions

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

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

- The requirements of paragraph 33(c) of IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations' (details of cash flows of discontinued operations).
- The requirements of IFRS 7 'Financial Instruments: Disclosures'.
- The requirements of paragraphs 91 to 99 of IFRS 13 'Fair Value Measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The requirements of paragraphs 38 of International Accounting Standards ("IAS") 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - Paragraph 79(a)(iv) of IAS 1 (reconciliation of shares outstanding)
- The requirements of IAS 7 'Statement of Cash Flows'.

## Notes to the financial statements for the financial year ended 31 March 2023 (continued)

### Note 2. Basis of preparation (continued)

#### (iii) Disclosure exemptions (continued)

- The requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D and 111 of IAS 1 'Presentation of Financial Statements' (additional comparatives).
- The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- The requirements of paragraph 17 and 18A of IAS 24 'Related Party Disclosures' (key management compensation).
- The requirements of IAS 24 to disclose related party transactions entered into between two or more members of a group where both parties to the transaction are wholly owned within the group.
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 'Impairment of Assets'.

#### (iv) Critical accounting estimates and significant judgements

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

- judgement in assessing whether the cash flows generated by a financial asset constitute solely payments of principal and interest ("SPPI") may require the application of judgement, particularly for certain subordinated or non-recourse positions, and in the determination of whether compensation for early termination of a contract is reasonable (Note 3(iv)).
- judgement in timing and amount of impairment of investment in subsidiaries, including the reversal thereof (Notes 3(x) and 8)
- judgement with regards to the recognition and measurement of the fair value loan assets (Notes 3(v) and 9).

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

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

#### (v) New Accounting Standards and amendments to Accounting Standards and interpretations that are either effective in the current financial year or have been early adopted

The amendments to existing accounting standards that are effective for the reporting period beginning on 1 April 2022 did not result in a material impact to the Company's financial statements.

### Note 3. Significant accounting policies

#### (i) Foreign currency translation

*Functional and presentation currency*

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

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 3. Significant accounting policies (continued)

### (i) Foreign currency translation (continued)

***Transactions and balances***
At initial recognition, a foreign currency transaction is translated into the entity's functional currency using the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of each reporting period:
- foreign currency monetary assets and liabilities are translated using the closing exchange rate
- non-monetary items (including equity) measured in terms of historical cost in a foreign currency remain translated using the spot exchange rate at the date of the transaction; and
- non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date that the fair value was measured.

Foreign exchange gains and losses arising from the settlement or translation of monetary items, or non-monetary items measured at fair value are recognised in other operating expense.

For the detailed policy on *Financial instruments* refer Note 3(iv).

### (ii) Revenue and expense recognition

***Net interest income/expense***
Interest income and interest expense are recognised using the effective interest rate ("EIR") method for financial assets, and financial liabilities carried at amortised cost. The EIR method calculates the amortised cost of a financial instrument at a rate that discounts estimated future cash receipts or payments through the expected life of the financial instrument to the net carrying amount of the financial asset or liability. The calculation of the EIR does not include ECL. Fees and transaction costs that are integral to the lending arrangement are recognised in interest income or interest expense, as applicable, over the expected life (or, when appropriate, a shorter period) of the instrument in accordance with the EIR method.

When the estimates of payments or receipts of a financial instrument are subsequently revised, the carrying amount is adjusted to reflect the actual or revised cash flows with the re-measurement recognised as part of interest income (financial assets) or interest expense (financial liabilities).

Interest income on financial assets that are not credit impaired is determined by applying the financial asset's EIR to the financial asset's gross carrying amount. Interest income on financial assets that are subsequently classified as credit impaired (Stage 3), is recognised by applying the EIR to the amortised cost carrying value (being the gross carrying value after deducting the impairment loss).

Interest income and expense on financial assets and liabilities that are classified as FVTPL is accounted for on a contractual rate basis.

***Other operating expenses***
Other operating expenses comprises credit impairment charges, foreign exchange losses and other expenses.

Net gain/(loss) on change in the fair value of the financial assets represents unrealised gains and losses arising from subsequent changes in the fair values of financial assets that are classified as FVTPL.

Impairment losses/reversal of impairment losses on these financial assets are not reported separately from other changes in fair value.

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 3. Significant accounting policies (continued)

### (ii) Revenue and expense recognition (continued)

*Dividends*
Interim dividends from UK companies are recognised when the dividend proceeds are received by the Company. Final dividends from investments in UK companies and dividends from investments in overseas companies are recognised when the Company becomes entitled to the dividend.

Judgement is applied in determining whether distributions from subsidiaries, associates and joint ventures are to be recognised as dividend income or as a return of capital. Distributions that represent a return of capital are accounted for by the Company as a reduction to the cost of its investment and are otherwise recognised by the Company within investment income as part of other operating income/expenses when the recognition criteria are met.

*Gain/(loss) on sale of investments*
The gain/(loss) on sale of investments is measured as the difference between the sale consideration and the carrying value of the investment being sold and is recognised in the profit and loss account.

*Expenses*
Expenses are recognised in the profit and loss account as and when the provision of services is received.

*Fee expense*
Management fees and cost recoveries are charged to the Company in respect of services provided by other Macquarie group entities as per the agreed cost sharing arrangement. Such expenses are recognised under Administrative expenses in the Company's profit and loss account on an accrual basis in accordance with the standard recovery methodology applied by the servicing entity.

### (iii) Taxation

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

Deferred tax assets are recognised when temporary differences arise between the tax basis of assets and liabilities and their respective carrying amounts which give rise to a future tax benefit, or when a benefit arises due to unused tax losses. In both cases, deferred tax assets are recognised only to the extent that it is probable that future taxable amounts will be available against which to utilise those temporary differences or tax losses.

Deferred tax liabilities are recognised when such temporary differences give rise to taxable amounts that are payable in future periods. Deferred tax assets and liabilities are recognised at the tax rates expected to apply when the assets are recovered, or the liabilities are settled under enacted or substantively enacted tax law.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 3. Significant accounting policies (continued)

#### (iii) Taxation (continued)

Current tax assets and liabilities are offset when there is a legally enforceable right to offset and an intention to either settle on a net basis or realise the asset and settle the liability simultaneously.

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

Factors considered include the ability to offset tax losses, the nature of the tax loss, the length of time that tax losses are eligible for carry forward to offset against future taxable profits and whether future taxable profits are expected to be sufficient to allow recovery of deferred tax assets.

The Company undertakes transactions in the ordinary course of business where the income tax treatment requires the exercise of judgement. The Company estimates the amount expected to be paid to/(recovered from) tax authorities based on its understanding and interpretation of the law. Uncertain tax positions are presented as current or deferred tax assets or liabilities with reference to the nature of the underlying uncertainty.

**Value-Added Tax (VAT)**

Where VAT is not recoverable from tax authorities, it is either capitalised to the balance sheet as part of the cost of the related asset or is recognised as a part of other operating expenses in the profit and loss account. Where VAT is recoverable from or payable to tax authorities, the amount is recorded as a separate asset or liability in the balance sheet.

#### (iv) Financial instruments

***Recognition of financial instruments***

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

A financial instrument is initially recognised at fair value and is adjusted for (in the case of instruments not classified at FVTPL) for transaction costs that are incremental and directly attributable to the acquisition or issuance of the financial instrument, and fees that are an integral part of the effective interest rate. Transaction costs and fees paid or received relating to financial instruments carried at FVTPL are recorded in the profit and loss account.

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

**Financial assets**

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

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

A financial asset is transferred if, and only if, the Company:
i) transfers the contractual rights to receive the cash flows of the financial asset; or
ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement where the Company is:

- not obligated to pay amounts to the eventual recipients unless it collects equivalent amounts from the original asset;
- prohibited from selling or pledging the original asset other than as security to the eventual recipients; and
- obligated to remit any cash flows it collects on behalf of the eventual recipients without material delay.

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 3. Significant accounting policies (continued)

### (iv) Financial instruments (continued)

*De-recognition of financial instruments (continued)*

In transactions where the Company neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, the asset is de-recognised if control over the asset is lost. Any interest in the transferred and de-recognised financial asset that is created or retained by the Company is recognised as a separate asset or liability.

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

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

**Business model assessment**
The Company uses judgement in determining the business model at the level that reflects how groups of financial assets are managed together to achieve a particular business objective. In determining the business model, all relevant evidence that is available at the date of the assessment is used including:
i. how the performance of the business model and the financial assets held within that business model is evaluated and reported to the Macquarie Group's Senior Management personnel and senior executives.
ii. the risks that affect the performance of the business model (and the financial assets held within that business model and, in particular, the way in which those risks are managed; and
iii. how managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

**Solely payment of principal and interest ("SPPI")**
The contractual cash flows of a financial asset are assessed to determine whether these represent SPPI on the principal amount outstanding consistent with a basic lending arrangement. This includes an assessment of whether cash flows primarily reflect consideration for the time value of money, and credit risk of the principal outstanding. Interest may also include consideration for other basic lending risks and costs.

**Amortised cost**
A financial asset is subsequently measured at amortised cost using the EIR method where:
(i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
(ii) the contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI requirements, and
(iii) the financial asset has not been classified as DFVTPL.

Interest income determined in accordance with the EIR method is recognised as part of interest and similar income.

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 3. Significant accounting policies (continued)

### (iv) Financial instruments (continued)

**Fair value through profit or loss ("FVTPL")**
Financial assets that do not meet the criteria to be measured at amortised cost or FVOCI are subsequently measured at FVTPL.

For the purposes of the Company's financial statements, the FVTPL classification consists of the following:
- financial assets in a business model whose objective is achieved by managing the financial assets on a fair value basis in order to realise gains and losses as opposed to a business model in which the objective is to collect contractual cash flows (FVTPL);
- *financial assets that fail the SPPI test (FVTPL); and*
- financial assets that have been designated to be measured at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch (DFVTPL).

Equity financial assets that are not held for active trading are measured at FVTPL. Subsequent changes in fair value are recognised as investment income within other operating income and charges.

Subsequent changes in the fair value of debt financial assets measured at FVTPL are presented as follows:
- Changes in the fair value of debt financial investments and loans to associates and joint ventures that fail SPPI are recognised in Investment income as part of other operating income/expenses;
- Changes in the fair value of all other FVTPL and DFVTPL financial assets are recognised as part of other income/(loss) within other operating income/expenses.

Where applicable, the interest component of financial assets is recognised as interest and similar income.

**Offsetting of financial instruments**
Financial assets and financial liabilities are offset, and the net amount reported on the balance sheet, when there is a current legally enforceable right to offset the amounts and either there is an intention to settle on a net basis or realise the financial asset and settle the financial liability simultaneously.

### (v) Loan assets

This category includes loans that are not held for trading purposes and typically includes the Company's lending activities to its customers.

Loan assets are initially recognised on settlement date at fair value (adjusted for directly attributable transaction costs for loan assets subsequently measured at amortised cost) and subsequently measured in accordance with Note 3(iv) *Financial Instruments.*

Loan assets includes amounts due after more than 12 months from related Macquarie Group entities. For the detailed policy on financial instruments, including treatment on derecognition, refer to Note 3(iv) *Financial Instruments.*

### (vi) Investments

***Investment in subsidiaries***
Subsidiaries are all those entities (including structured entities) over which the Company has:
- the power to direct the relevant activities of the entity,
- exposure, or rights, to significant variable returns, and
- the ability to utilise power to affect the entity's own returns.

The determination of control is based on current facts and circumstances and is continuously assessed. The Company has power over an entity when it has existing substantive rights that provide it with the current ability to direct the entity's relevant activities, being those activities that significantly affect the entity's returns. The Company also considers the entity's purpose and design. If the Company determines that it has power over an entity, the Company then evaluates its exposure, or rights, to variable returns by considering the magnitude and variability associated with its economic interests.

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 3. Significant accounting policies (continued)

### (vi) Investments (continued)

***Investment in subsidiaries (continued)***

All variable returns are considered in making that assessment including, but not limited to, returns from debt or equity investments, guarantees, liquidity arrangements, variable fees and certain derivative contracts.

Subsidiaries held by the Company are carried in its financial statements at cost less impairment in accordance with *IAS 27 Separate Financial Statements*.

Investment in subsidiaries are assessed for impairment at each reporting date, refer to Note 3(ix) *Impairment.*

### (vii) Non-current assets and liabilities of disposal groups classified as held for sale

This category includes assets and disposal groups (groups of assets to be disposed of in a single transaction and directly associated liabilities) for which the carrying amount will be recovered principally through a sale or distribution transaction rather than continuing use. This includes assets and liabilities of businesses and subsidiaries, associates and joint ventures, other assets and liabilities, and subsidiaries that are acquired exclusively with a view to sell or distribute.

These assets and disposal groups are classified as held for sale when they are available for immediate sale in their present condition and the sale of or distribution is highly probable, including that the sale or distribution is expected to occur within 12 months. Where there is a planned partial disposal of a subsidiary resulting in loss of control, but the Company retains an interest in the disposed subsidiary, the entire carrying value of the subsidiary's assets and liabilities are classified as held for sale.

Non-current assets and liabilities of disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Equity accounting, depreciation and amortisation is suspended when the held for sale criteria is satisfied.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell and is recognised in other impairment charges/reversal. A gain is recognised for any subsequent increase in fair value less costs to sell, limited to the cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of sale is recognised at the date of sale.

Financial assets and liabilities that are classified as held for sale are measured in accordance with the Company's financial instruments' policies.

If the Company has classified an asset (or disposal group) as held for sale, but the criteria for held for sale are no longer met, the Company ceases to classify the asset (or disposal group) as held for sale. In such cases, the Company measures a non-current asset (or disposal group) that ceases to be classified as held for sale at the lower of:

- its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale or as held for distribution to owners, and
- its recoverable amount at the date of subsequent decision not to sell or distribute.

### (viii) Provisions and contingent liabilities

Provisions are recognised when it is probable that an outflow of economic benefits will be required to settle a present legal or constructive obligation that has arisen as a result of past events and for which a reliable estimate can be made.

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 3. Significant accounting policies (continued)

### (viii) Provisions and contingent liabilities (continued)

Contingent liabilities are either possible obligations whose existence will be confirmed only by uncertain future events, or they are present obligations where a transfer of economic resources is not probable or cannot be reliably measured. Contingent liabilities are not recognised on the balance sheet but are disclosed unless an outflow of economic resources is remote.

Contingent liabilities, which generally include letters of credit, performance-related contingents and guarantees are disclosed in Note 20 Contingent liabilities and commitments

***Dividends***
Where a dividend is determined or resolved by the Company's Board of Directors, a liability to pay the dividend with a corresponding reduction in retained earnings, is recognised when a legal obligation arises.

### (ix) Due to/from related entities

Transactions between the Company and other Macquarie Group entities principally arise from the provision of lending arrangements and acceptance of funds on deposit, intercompany services and transactions and the provision of financial guarantees, and are accounted for in accordance with Note 3(ii) Revenue and expense recognition and Note 3(iv) *Financial Instruments*. Financial assets and financial liabilities are presented net where the offsetting requirements are met (Note 3(iv)), such that the net amount is reported in the balance sheet.

### (x) Impairment

**Expected credit losses ("ECL")**
The ECL requirements apply to financial assets measured at amortised cost and FVOCI, lease receivables, amounts receivable from contracts with customers, loan commitments, certain letters of credit and financial guarantee contracts issued that are not DFVTPL. The Company applies a three-stage approach to measuring the ECL based on changes in the financial asset's underlying credit risk and includes forward-looking information ("FLI").

The calculation of ECL requires judgement and the choice of inputs, estimates and assumptions. Outcomes within the next financial period that are different from management's assumptions and estimates could result in changes to the timing and amount of ECL to be recognised.

The ECL is determined with reference to the following stages:

**(i) Stage 1 – 12 month ECL**
At initial recognition, and for financial assets for which there has not been a significant increase in credit risk ("SICR") since initial recognition, ECL is determined based on the probability of default ("PD") over the next 12 months and the lifetime losses associated with such PD, adjusted for FLI. Stage 1 also includes financial assets where the credit risk has improved and the instrument has been reclassified from stage 2.

**(ii) Stage 2 – Lifetime ECL not credit-impaired**

When there has been a SICR since initial recognition, the ECL is determined with reference to the financial asset's lifetime PD and the lifetime losses associated with that PD, adjusted for FLI. The Company exercises judgement in determining whether there has been a SICR since initial recognition based on qualitative, quantitative, and reasonable and supportable information that includes FLI.

## Notes to the financial statements for the financial year ended 31 March 2023 (continued)

### Note 3. Significant accounting policies (continued)

### (x) Impairment (continued)

**(ii) Stage 2 – Lifetime ECL not credit-impaired (continued)**

Use of alternative criteria could result in significant changes to the timing and amount of ECL to be recognised. Lifetime ECL is generally determined based upon the contractual maturity adjusted, where appropriate, for prepayments, extension, call and similar options, of the financial asset. For revolving facilities, the Company exercises judgement based on the behavioural, rather than contractual characteristics of the facility type. Stage 2 may include financial assets where the credit risk has improved and has been reclassified from stage 3.

**(iii) Stage 3 – Lifetime ECL credit-impaired**

Financial assets are classified as Stage 3 where they are determined to be credit impaired, which generally matches the definition of default. This includes exposures that are at least 90 days past due and where the obligor is unlikely to pay without recourse against available collateral.

The ECL for credit impaired financial assets is generally measured as the difference between the contractual and expected cash flows from the individual exposure, discounted using the EIR for that exposure. For credit-impaired exposures that are modelled collectively for portfolios of exposure, ECL is measured as the product of the lifetime PD, the loss given default ("LGD") and the exposure at default ("EAD"), adjusted for FLI.

**Presentation of loss allowances**

The ECL allowances are presented in the balance sheet as follows:

- loan assets, amounts due from other Macquarie group entities, other loans measured at amortised cost – as a deduction to the gross carrying amount
- undrawn credit commitments and financial guarantees (not measured at FVTPL) – as a provision included in other *liabilities*.

When the Company concludes that there is no reasonable expectation of recovering cash flows from the financial asset, and all possible collateral has been realised, the financial asset is written off, either partially or in full, against the related provision. Recoveries of loans previously written off are recorded based on the cash received.

**Impairment of investments in subsidiaries**

Investments in subsidiaries in the Company's financial statements are reviewed annually for indicators of impairment or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment is recognised in other impairment charges/reversal, for the amount by which the investment's carrying amount exceeds its recoverable amount, being the higher of fair value less costs to sell and value in use. At each reporting date, investments in subsidiaries that have been impaired are reviewed for possible reversal of impairment. The amount of any reversal of impairment recognised must not cause the investment's carrying value to exceed its original cost.

### (xi) Called up share capital

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

### (xii) Rounding of amounts

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

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 3. Significant accounting policies (continued)

**xiii) Comparatives**

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

In 2023 the Company determined that certain loans should be classified as 'loan assets' rather than 'debtors'. As a result of this change, for 2022, the Company has reclassified loans amounting to £246,071,000 from 'debtors' to 'loan assets' to correctly classify the assets to be consistent with the current year.

| | 2022 | | |
|---|---|---|---|
| | Revised | Previously Reported | Change |
| | **£'000** | **£'000** | **£'000** |
| Balance Sheet: | | | |
| Loan assets | 262,581 | 16,510 | 246,071 |
| Debtors | 129,281 | 375,352 | (246,071) |
| Total | 391,862 | 391,862 | - |

## Notes to the financial statements for the financial year ended 31 March 2023 (continued)

### Note 4. Profit before taxation

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| **Turnover** | | |
| Dividend income | 377,651 | 10,806 |
| Advisory fee income | - | 2,015 |
| **Total turnover** | 377,651 | 12,821 |
| **Net gain/(loss) on investments** | | |
| Net gain/(loss) on sale of investments | 77,508 | (29) |
| Other impairment charges on investment in subsidiaries | - | (316) |
| **Total net gain/(loss) on investments** | 77,508 | (345) |
| **Administrative expenses** | | |
| Service fees paid to Macquarie Group undertakings | (32,961) | (4,106) |
| Legal fees, consulting fees and other professional fees | (3,464) | (2,497) |
| Auditors' remuneration | | |
| - Fees payable to the Company's auditors for the audit of the Company[1] | (62) | (60) |
| Resource charge from Macquarie Group undertakings | (248) | (15) |
| Other administrative expenses | (867) | (111) |
| **Total administrative expenses** | (37,602) | (6,789) |
| **Interest** | | |
| Interest receivable and similar income from:[2] | | |
| Other Macquarie Group undertakings | 34,221 | 13,945 |
| Unrelated parties | 1,309 | 71 |
| **Total interest receivable and similar income** | 35,530 | 14,016 |
| Interest payable and similar expenses to:[3] | | |
| Other Macquarie Group undertakings | (29,430) | (5,695) |
| **Total interest payable and similar expenses** | (29,430) | (5,695) |
| **Other operating (expenses)/income** | | |
| Net loss on change in the fair value of financial assets | (21,027) | - |
| Foreign exchange losses | 418 | (457) |
| Credit impairment reversals/(charges) | 1,039 | (1,573) |
| **Total other operating expenses** | (19,570) | (2,030) |

[1]Fees payable to the Company's auditors for current year includes £nil relating to previous year (2022:£8,000).

[2]Includes interest income calculated using effective interest method of £16,440,000 (2022: £14,016,000) on the financial assets in the Company that are measured at amortised cost and £12,828,000 (2022: £5,048,000) on the financial assets measured at FVTPL.

[3]Includes interest expense of £29,430,000 (2022: £5,695,000) on the financial liabilities measured at amortised cost.

The Company had no employees in the current and previous financial year.

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 5. Tax on profit

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| **(i) Tax credit/(expense) included in profit** | | |
| **Current tax** | | |
| UK corporation tax at 19% (2022: 19%) | 6,083 | (594) |
| Adjustment in respect of previous periods | (1,586) | (41) |
| **Total current tax** | 4,497 | (635) |
| | | |
| **Deferred tax** | | |
| *Adjustment in respect of previous periods* | 419 | - |
| **Total deferred tax** | 419 | - |
| **Tax on profit** | 4,916 | (635) |

**(ii) Reconciliation of effective tax rate**

The income tax expense for the year is lower (2022: lower) than the standard rate of corporation tax in the UK of 19% (2022: 19%). The differences are explained below:

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| **Profit before taxation** | 404,087 | 11,978 |
| Current tax charge at 19% (2022: 19%) | (76,777) | (2,276) |
| Effect of - | | |
| Adjustment in respect of prior years | (1,167) | (41) |
| Expenses not deductible for tax purposes | (5,239) | (499) |
| Non-taxable income - Dividends | 71,754 | 2,053 |
| Non assessable income | 16,345 | 128 |
| **Total tax on profit** | 4,916 | (635) |

The UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been *measured using these enacted tax rates and reflected in these financial statements.*

### Note 6. Deferred tax assets

| | Tax losses | Total |
|---|---|---|
| **Balance as at 1 April 2021** | - | - |
| Deferred tax charged to profit and loss account for the year | - | - |
| **Balance as at 31 March 2022** | - | - |
| Deferred tax credited to profit and loss account for the year | 419 | 419 |
| **Balance as at 31 March 2023** | 419 | 419 |

The above amounts are expected to be recovered after 12 months of the balance date by the Company.

### Note 7. Dividends paid

| | 2023 | 2022 |
|---|---|---|
| Interim dividend paid (per share 2023: £1.98; 2022: £nil) | 534,500 | - |
| **Total dividends paid (Note 16)** | 534,500 | - |

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 8. Investments in subsidiaries

| | 2023 | 2022 |
|---|---|---|
| | Investments at cost with no provisions for impairment[(1)] | Investments at cost with no provisions for impairment[(1)] |
| | £ | £ £ |
| Opening balance | 357,806 | 335,155 |
| *Additions* | 79,474 | 22,696 |
| Disposals | (135,700) | (45) |
| **Closing balance** | **301,580** | **357,806** |

[1]In accordance with the Company's accounting policies, the Company reviewed its investments in subsidiary for indicators of impairment. Where it's investments had indicators of impairment, the investments' carrying value was compared to its recoverable value which was determined to be its fair value less costs to sell (valuation). The valuations have been calculated using a valuation technique whose most significant inputs include the subsidiary's maintainable earnings, growth rates and relevant earnings multiples. A range of valuations of the investments in the subsidiaries, including associated stress tests, were used that demonstrated that no impairment loss was required to be recognised by the Company during the year.

The material subsidiaries of the Company, based on contribution to the Company's profit after income tax, the size of the investment made by the Company or the nature of activities conducted by the subsidiary, are:

| **Name of subsidiary** | **Nature of business** | **Place of incorporation** | **2023 % ownership** | 2022 % ownership | **2023 £'000** | 2022 £'000 |
|---|---|---|---|---|---|---|
| Bilbao Offshore TopCo Limited | Holding Company | UK[2] | 100% | 100% | **134,500** | 269,000 |
| Cero Generation Limited | Holding Company | UK[1] | 100% | 100% | **45,640** | 32,337 |
| Chablis TK Holdings Limited | Holding Company | UK[1] | 100% | 100% | **26,396** | 25,280 |
| CHAPTRE GreenCo Holdings Limited | Holding Company | UK[1] | 100% | 100% | - | - |
| Corio Generation Limited | Holding Company | UK[1] | 100% | 100% | **58,869** | - |
| Corio Generation Service Company Limited | Holding Company | UK[1] | 100% | 0% | - | - |
| GIG Faune HoldCo Limited | Holding Company | UK | 0% | 100% | - | 1,200 |
| GIG OSW Extension TopCo Limited | Holding Company | UK[1] | 100% | 100% | 425 | 425 |
| Green Empire WtE Holdings Limited | Holding Company | UK[1] | 100% | 100% | **4,023** | 4,023 |
| Lapin Investment Limited | Holding Company | UK[1] | 100% | 100% | **5,059** | - |
| Nordic Renewable Power Holdings (UK) Limited | Holding Company | UK[1] | 100% | 100% | **4,406** | 4,220 |
| *Norgh Holding Company* Limited | Holding Company | UK[1] | 100% | 100% | **22,261** | 21,320 |
| Poland Wind HoldCo Limited | Holding Company | UK[1] | 100% | 100% | - | - |
| Renewables Holdco Limited | Holding Company | UK[1] | 100% | 100% | - | - |
| Sea Lion Wind HoldCo Limited | Holding Company | UK[1] | 100% | 100% | **1** | 1 |
| Vanadium Holdco Limited | Holding Company | UK[1] | 100% | 100% | - | - |
| ***Total investment in subsidiaries*** | | | | | **301,580** | 357,806 |

[1]The registered address is Ropemaker Place, 28 Ropemaker Street, London, United Kingdom, EC2Y 9HD.
[2]The registered address is 3, 4th Floor, More London Riverside, London, United Kingdom, SE1 2AQ.
All material subsidiaries have a 31 March reporting date.

## Notes to the financial statements for the financial year ended 31 March 2023 (continued)

### Note 9. Loan assets

| | 2023 | | | 2022 | | |
|---|---|---|---|---|---|---|
| | Gross | ECL allowance | Net | Gross | ECL allowance | Net |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Due from related entities: | | | | | | |
| Subsidiaries | 421,539 | (22) | 421,517 | 262,601 | (20) | 262,581 |
| **Total loan assets[(1)]** | 421,539 | (22) | 421,517 | 262,601 | (20) | 262,581 |

[(1)] Gross balance as at 31 March 2023 includes £314,222,000 (2022: £246,045,000) of loans measured at FVTPL which are not subject to ECL allowance under IFRS 9.

### Note 10. Debtors

| | 2023 | 2022 |
|---|---|---|
| | £'000 | £'000 |
| Amounts owed by other Macquarie Group undertakings[(1)] | 256,677 | 124,365 |
| Income tax receivables | 5,128 | - |
| Other financial market assets[(2)] | - | 2,516 |
| Fees and other receivables | - | 2,400 |
| **Total debtors** | 261,805 | 129,281 |

[(1)]Amounts owed by other Macquarie Group undertakings are unsecured and have no fixed date of repayment.
[(2)]Other financial market assets represents derivative instruments held at FVTPL.

At the reporting date, amounts owed from other Macquarie Group undertakings has an ECL allowance of £6,600 (2022: £1,107,000) which is net presented against the gross carrying amount.

### Note 11. Assets classified as held for sale

| | | |
|---|---|---|
| Investment in subsidiaries at cost with no provisions for impairment | 9,048 | 8,290 |
| Investment in subsidiaries at cost with provisions for impairment | - | 315 |
| Less provisions for impairment | - | (315) |
| **Total assets classified as held for sale** | 9,048 | 8,290 |

| Name of subsidiary | Nature of business | Place of incorporation | 2023 % ownership | 2022 % ownership | 2023 £'000 | 2022 £'000 |
|---|---|---|---|---|---|---|
| Maryland HoldCo Limited | Holding Company | UK[1] | 0% | 100% | - | 6,666 |
| Maryland Topco Limited | Holding Company | UK[1] | 100% | 100% | 9,048 | - |
| Inis Top Company Limited | Holding Company | UK[1] | 0% | 100% | - | 1,437 |
| Kusten Offshore Holding Company Limited | Holding Company | UK[1] | 0% | 100% | - | 187 |
| Pakaa HoldCo ApS | Holding Company | DK[2] | 0% | 100% | - | - |
| Lochlann FinCo Limited | Holding Company | UK[3] | 0% | 100% | - | - |
| Lochlann TopCo Limited | Holding Company | UK[3] | 0% | 100% | - | - |
| **Total assets classified as held for sale** | | | | | 9,048 | 8,290 |

[1]The registered address is Ropemaker Place, 28 Ropemaker Street, London, United Kingdom, EC2Y 9HD.
[2]The registered address is c/o JB Future ApS, Thorvaldsensvej 2, 5. th., Frederiksberg C, Denmark, 1871.
[3]The registered address is Atria One, 144 Morrison Street, Edinburgh, Scotland, EH3 8EX.

## Notes to the financial statements for the financial year ended 31 March 2023 (continued)

### Note 12. Creditors: amounts falling due within one year

| | 2023 £'000 | 2022 £'000 |
|---|---|---|
| Amount owed to other Macquarie Group undertakings[1] | **(57,148)** | (48,843) |
| Accruals and deferred income | **(304)** | (1,753) |
| Taxation | **-** | (1,108) |
| **Total creditors: amounts falling due within one year** | **(57,452)** | (51,704) |

[1]Amount due to other Macquarie Group undertakings are unsecured and have no fixed date of repayment.

### Note 13. Creditors: amounts falling due after more than one year

| | | |
|---|---|---|
| Amount owed to other Macquarie Group undertakings[1] | **(680,354)** | (326,215) |
| **Total creditors: amounts falling due after more than one year** | **(680,354)** | (326,215) |

[1]Amount due to other Macquarie Group undertakings have a maturity date of 18 February 2027.

The Company has not had any defaults of principal, interest or other breaches with respect to its debt during the financial years reported.

### Note 14. Provisions for liabilities

| | | |
|---|---|---|
| Other provisions | **(2,021)** | - |
| **Total provisions for liabilities** | **(2,021)** | - |

### Note 15. Called up share capital

| | 2023 Number | 2022 Number | 2023 £'000 | 2022 £'000 |
|---|---|---|---|---|
| Opening balance of fully paid ordinary shares at £1 per share | **269,000,100** | 269,000,100 | **269,000** | 269,000 |
| Reduction of 269,000,100 ordinary shares on 27 March 2023 at £0.50 per share | **-** | - | **(134,500)** | - |
| **Closing balance of fully paid ordinary shares at £1 per share** | **269,000,100** | 269,000,100 | **134,500** | 269,000 |

### Note 16. *Profit and loss account*

| | | |
|---|---|---|
| Balance at the beginning of the financial year | **111,039** | 99,696 |
| Profit for the financial year | **409,003** | 11,343 |
| Reduction of share capital | **134,500** | - |
| Dividends paid on ordinary share capital (Note 7) | **(534,500)** | - |
| **Balance at the end of the financial year** | **120,042** | 111,039 |

### Note 17. Capital management strategy

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

The Company's capital management objectives are to maintain sufficient capital resources to:

- support the Company's business and operational requirements;
- safeguard interest of depositors' and the Company's ability to continue as a going concern;
- support the Company's credit rating

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

## Notes to the financial statements for the financial year ended 31 March 2023 (continued)

### Note 18. Related party information

As 100% of the voting rights of the Company are controlled within the group headed by MGL, incorporated in Australia, the Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with entities which form part of the Macquarie Group. The consolidated financial statements of MGL, within which the Company is included, can be obtained from the address given in Note 21.

The Master Loan Agreement (the "MLA") governs the funding arrangements between various subsidiaries and related body corporate entities which are under the common control of MGL and have acceded to the MLA. The Tripartite Outsourcing Major Services Agreement ("TOMSA") governs the provision of intra-group services between subsidiaries and related body corporate entities other than certain excluded entities.

Relationships with an entity which is not a party to the MLA have been presented on a gross basis.

The Company does not have any related party transactions or balances other than those with entities which form part of the Macquarie Group as mentioned above. All transactions with related entities were made on normal commercial terms and conditions and at market rates except where indicated.

**Investments held by Company's subsidiaries:**

Details of holdings by related party undertakings are as below:

| Name of related party | Registered office | % ownership | Class of shares |
|---|---|---|---|
| **Subsidiaries of Cero Generation Limited** | | | |
| Cero France SAS | France[22] | 100% | Ordinary |
| Cero Generation Holdings France Limited | UK[1] | 100% | Ordinary |
| Cero Generation Holdings Germany Limited | UK[1] | 100% | Ordinary |
| Cero Generation Holdings Greece Limited | UK[1] | 100% | Ordinary |
| Cero Generation Holdings Italy Limited | UK[1] | 100% | Ordinary |
| Cero Generation Holdings Poland Limited | UK[1] | 100% | Ordinary |
| Cero Generation Holdings Spain Limited | UK[1] | 100% | Ordinary |
| Cero Generation Holdings UK Limited | UK[1] | 100% | Ordinary |
| Cero Generation Poland Spółka Z Ograniczoną Odpowiedzialnością | Poland[12] | 100% | Ordinary |
| Cero Generation Services Limited | UK[1] | 100% | Ordinary |
| Cero Generation Services Limited, Sucursal en España | Spain[11] | 100% | Ordinary |
| Cero Italy Projects S.R.L. | Italy[13] | 100% | Quota |
| Cero Italy Projects 1 S.R.L. | Italy[13] | 100% | Quota |
| Cero Italy Projects 2 S.R.L. | Italy[13] | 100% | Quota |
| Cero Italy Projects 3 S.R.L. | Italy[13] | 100% | Quota |
| Cero Polska 1 Spółka Z Ograniczoną Odpowiedzialnością | Poland[12] | 100% | Ordinary |
| Cero Polska 2 Spółka Z Ograniczoną Odpowiedzialnością | Poland[12] | 100% | Ordinary |
| Cero Services Italy S.R.L. | Italy[13] | 100% | Quota |
| Clifton Investment Holdings Limited | UK[1] | 100% | Ordinary |
| NRG 1 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 2 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 3 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 4 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 5 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 6 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 7 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 8 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 9 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 10 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 11 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 12 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 13 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |

## Notes to the financial statements for the financial year ended 31 March 2023 (continued)

### Note 18. Related party information (continued)

| Name of related party | Registered office | % ownership | Class of shares |
|---|---|---|---|
| NRG 14 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 15 spółka z ograniczoną odpowiedzialnością | Poland[24] | 100% | Ordinary |
| NRG 16 spółka z ograniczoną odpowiedzialnością | Poland[12] | 100% | Ordinary |
| NRG 17 spółka z ograniczoną odpowiedzialnością | Poland[24] | 100% | Ordinary |
| NRG 18 spółka z ograniczoną odpowiedzialnością | Poland[24] | 100% | Ordinary |
| Paseta Servicios Empresariales, S.L. | Spain[10] | 100% | Ordinary |
| Solar Italy III S.R.L. | Italy[6] | 100% | Quota |
| Solar Italy VI S.R.L. | Italy[6] | 100% | Quota |
| Sonne (Italy) Holdings Limited | UK[1] | 100% | Ordinary |
| Ticopa Servicios Empresariales, S.L. | Spain[10] | 100% | Ordinary |
| Trisol 81 S.r.l. | Italy[6] | 100% | Ordinary |
| Trisol 82 S.r.l. | Italy[6] | 100% | Quota |
| Tencata Servicios Empresariales, S.L. | Spain[10] | 100% | Ordinary |
| Energia Verde Trapani S.R.L. | Italy[7] | 90% | Quota |
| Sole Renewables Limited | UK[1] | 90% | Ordinary |
| Sole Renewables Italy Limited | UK[1] | 90% | Ordinary |
| SR Augusta S.R.L. | Italy[9] | 90% | Ordinary |
| SR Bari S.R.L. | Italy[9] | 90% | Ordinary |
| SR Project 1 S.R.L. | Italy[9] | 90% | Ordinary |
| SR Project 4 S.R.L. | Italy[9] | 90% | Ordinary |
| SR Project 5 S.R.L. | Italy[9] | 90% | Ordinary |
| SR San Giuseppe S.R.L. | Italy[9] | 90% | Ordinary |
| SR Taranto S.R.L. | Italy[9] | 90% | Ordinary |
| SR Torino S.R.L. | Italy[9] | 90% | Ordinary |
| SR Trapani S.R.L. | Italy[9] | 90% | Ordinary |
| Abeto New Energy S.L. | Spain[10] | 80% | Ordinary |
| Encina New Energy S.L. | Spain[10] | 80% | Ordinary |
| Ficus Solar PV, S.L. | Spain[10] | 80% | Ordinary |
| Loto Solar PV, S.L. | Spain[10] | 80% | Ordinary |
| Magnolia Solar PV, S.L. | Spain[10] | 80% | Ordinary |
| Manzano Solar PV, S.L. | Spain[10] | 80% | Ordinary |
| Olivo New Energy S.L. | Spain[10] | 80% | Ordinary |
| Sabina Solar PV S.L. | Spain[10] | 80% | Ordinary |
| Sauce New Energy, S.L. | Spain[10] | 80% | Ordinary |
| Solar-PV EXT 001 Sociedad Limitada | Spain[10] | 80% | Ordinary |
| Aberthaw Green Limited | UK[1] | 75% | Ordinary |
| Bolney Green Limited | UK[1] | 75% | Ordinary |
| Bramford Green Limited | UK[1] | 75% | Ordinary |
| Bramley Solar Limited | UK[1] | 75% | Ordinary |
| Bridgwater Green Limited | UK[1] | 75% | Ordinary |
| Cowley Baldon Green Limited | UK[1] | 75% | Ordinary |
| Elstree Green Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings A Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings B Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings C Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings D Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings E Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings F Limited | UK[1] | 75% | Ordinary |

## Notes to the financial statements for the financial year ended 31 March 2023 (continued)

### Note 18. Related party information (continued)

| Name of related party | Registered office | % ownership | Class of shares |
|---|---|---|---|
| Enso Green Holdings G Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings H Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings I Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings J Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings K Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings L Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings M Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings N Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings O Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings P Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings Q Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings R Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings SS Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings T Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings U Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings V Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings W Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings X Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings Y Limited | UK[1] | 75% | Ordinary |
| Enso Green Holdings Z Limited | UK[1] | 75% | Ordinary |
| Iron Acton Green Limited | UK[1] | 75% | Ordinary |
| Fleet Green Limited | UK[1] | 75% | Ordinary |
| Lovedean Green Limited | UK[1] | 75% | Ordinary |
| Melksham Calne Green Limited | UK[1] | 75% | Ordinary |
| Pembroke Green Limited | UK[1] | 75% | Ordinary |
| Rayleigh Green Limited | UK[1] | 75% | Ordinary |
| Wylfa Green Limited | UK[1] | 75% | Ordinary |
| Alabastro New Energy S.R.L. | Italy[25] | 70% | Ordinary |
| Ametista New Energy S.R.L. | Italy[25] | 70% | Ordinary |
| Ant Solar S.R.L. | Italy[25] | 70% | Ordinary |
| Cat Energy S.R.L. | Italy[25] | 70% | Ordinary |
| Cobalto New Energy S.R.L. | Italy[25] | 70% | Ordinary |
| Dunite New Energy S.R.L. | Italy[25] | 70% | Ordinary |
| Fluorite New Energy S.R.L. | Italy[25] | 70% | Ordinary |
| Giada New Energy S.R.L. | Italy[25] | 70% | Ordinary |
| Cero Development Hellas Single Member S.A. | Greece[4] | 100% | Ordinary |
| Cero Generation Services Greece Single Member Private Company | Greece[6] | 100% | Ordinary |
| EOS INVESTMENT LIMITED | UK[2] | 50% | Ordinary |
| FEMOREN SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[44] | 50% | Ordinary |
| Gilda Energy Single Member Private Company | Greece[4] | 100% | Ordinary |
| Helios Serron SA | Greece[5] | 100% | Ordinary |
| Hibiscus Energy Single Member Private Company | Greece[5] | 100% | Ordinary |
| JBF Nearshore ApS | Denmark[39] | 49% | Ordinary |
| KW SOLAR I SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA | Poland[45] | 50% | Ordinary |
| KW SOLAR II SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| KW SOLAR III SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| KW SOLAR V SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| KW SOLAR VI SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

**Note 18. Related party information (continued)**

| Name of related party | Registered office | % ownership | Class of shares |
|---|---|---|---|
| KW SOLAR VII SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| KW SOLAR VIII SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1100 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1110 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1120 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1130 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1140 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1150 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 120 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1230 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1270 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 130 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1310 SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA | Poland[45] | 50% | Ordinary |
| PV 140 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1460 SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA | Poland[45] | 50% | Ordinary |
| PV 150 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 1510 SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA | Poland[45] | 50% | Ordinary |
| PV 1520 SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA | Poland[45] | 50% | Ordinary |
| PV 170 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 180 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 210 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 220 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 230 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 240 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 250 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 260 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 310 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 350 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 390 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 440 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 450 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 460 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 480 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 490 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 510 SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA | Poland[45] | 50% | Ordinary |
| PV 520 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 530 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 540 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 550 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |

## Notes to the *financial statements* for the financial year ended 31 March 2023 (continued)

### Note 18. Related party information (continued)

| Name of related party | Registered office | % ownership | Class of shares |
|---|---|---|---|
| PV 560 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 570 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 580 SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA | Poland[45] | 50% | Ordinary |
| PV 600 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 610 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 620 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 650 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| PV 690 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[45] | 50% | Ordinary |
| RIBOLLA SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[44] | 50% | Ordinary |
| ROSELLE SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ | Poland[44] | 50% | Ordinary |
| Sunrider Holdings Single Member Societe Anonyme | Greece[4] | 100% | Ordinary |
| Sunrider Single Member Societe Anonyme | Greece[42] | 100% | Ordinary |
| SOL PV 1 S.R.L. | Italy[8] | 90% | Quota |
| **Subsidiaries of Corio Generation Limited** | | | |
| Kiwi New Energy, S.L. | Spain[26] | 70% | Ordinary |
| Milano Energy S.R.L. | Italy[25] | 70% | Ordinary |
| Palatium New Energy, S.L. | Spain[26] | 70% | Ordinary |
| Petra New Energy, S.L. | Spain[26] | 70% | Ordinary |
| Polenta New Energy, S.L. | Spain[26] | 70% | Ordinary |
| Sandala New Energy, S.L. | Spain[26] | 70% | Ordinary |
| Selce New Energy S.R.L. | Italy[25] | 70% | Ordinary |
| Smeraldo New Energy S.R.L. | Italy[25] | 70% | Ordinary |
| Talaria New Energy, S.L. | Spain[26] | 70% | Ordinary |
| Topazio New Energy S.R.L. | Italy[8] | 70% | Ordinary |
| Wattcrop Hellas I.K.E | Greece[5] | 67% | Share parts |
| Wattcrop Projects UK Limited | UK[1] | 67% | Ordinary |
| Maryland Investco Limited | UK[1] | 51% | Ordinary |
| OSW Investments Rampion JVCo (UK) Limited | UK[1] | 50% | Ordinary |
| OSW Investments Galloper JVCo (UK) Limited | UK[1] | 50% | Ordinary |
| Corio Generation Korea Limited | Korea[14] | 100% | Ordinary |
| Corio Generation Taiwan Limited | Taiwan[17] | 100% | Ordinary |
| Corio OSW Holdings LLC | US[20] | 100% | Membership Interest |
| Corio OSW Investments LLC | US[20] | 100% | Membership Interest |
| GIG OSW Investments Appointer Limited | UK[1] | 100% | Ordinary |
| GIG OSW Service Company Limited French Branch | France[21] | 100% | Ordinary |
| GIG OSW Service Company Limited, Singapore Branch | Singapore[15] | 100% | Ordinary |
| GIG OSW Service Company Limited, Sucursal En Espana | Spain[10] | 100% | Ordinary |
| Great Eastern Offshore Wind Farm Investment Pty Ltd | Australia[16] | 100% | Ordinary |
| Great Eastern Offshore Wind Farm Project Co Pty Ltd | Australia[16] | 100% | Ordinary |
| Great Eastern Offshore Wind Farm Pty Ltd | Australia[16] | 100% | Ordinary |
| Great Eastern Offshore Wind Farm UK HoldCo Limited | UK[1] | 100% | Ordinary |
| Macquarie Capital Vietnam Green Investments Pte. Limited | Singapore[15] | 100% | Ordinary |
| OSW Investments Japan JVCo 1 Limited | UK[1] | 100% | Ordinary |

## Notes to the financial statements
## for the financial year ended 31 March 2023 (continued)

### Note 18. Related party information (continued)

| Name of related party | Registered office | % ownership | Class of shares |
|---|---|---|---|
| **Subsidiaries of Corio Generation Limited (continued)** | | | |
| OSW Investments Japan JVCo 2 Limited | UK[1] | 100% | Ordinary |
| OSW Investments Korean JVCo 1 Limited | UK[1] | 100% | Ordinary |
| OSW Investments Korean JVCo 2 Limited | UK[1] | 100% | Ordinary |
| OSW Investments Korean JVCo 3 Limited | UK[1] | 100% | Ordinary |
| OSW Investments Korean JVCo 4 Limited | UK[1] | 100% | Ordinary |
| OSW Investments Korean JVCo 5 Limited | UK[1] | 100% | Ordinary |
| OSW Investments R4 JVCo (UK) Limited | UK[1] | 100% | Ordinary |
| Brigadeiro Holdings Limited | UK[1] | 99% | Ordinary |
| Geradora Eólica Brigadeiro I Ltda. | Brazil[19] | 99% | Quota |
| Geradora Eólica Brigadeiro II Ltda. | Brazil[19] | 99% | Quota |
| Geradora Eólica Brigadeiro III Ltda. | Brazil[19] | 99% | Quota |
| Geradora Eólica Brigadeiro IV Ltda. | Brazil[19] | 99% | Quota |
| Geradora Eólica Brigadeiro V Ltda. | Brazil[19] | 99% | Quota |
| **Subsidiaries of GIG OSW Investments Limited** | | | |
| Fema Holdco Pte. Limited | Singapore[15] | 100% | Ordinary |
| GIG Australian Offshore Wind Energy Holdings Pty Ltd | Australia[16] | 100% | Ordinary |
| GIG Australian Offshore Wind Investments HoldCo Limited | UK[1] | 100% | Ordinary |
| GIG OSW Service Company Limited | UK[1] | 100% | Ordinary |
| Great Southern Offshore Wind Farm Pty Ltd | Australia[16] | 100% | Ordinary |
| Great Soutern Offshore Wind Farm Project Co Pty Ltd | Australia[16] | 100% | Ordinary |
| Philippines OSW Investments Limited | UK[1] | 100% | Ordinary |
| **Subsidiaries of Kusten Offshore Holding Company Limited** | | | |
| Favonius AB | Sweden[18] | 100% | Ordinary |
| **Subsidiarie of Lochlann TopCo Limited** | | | |
| Lochlann HoldCo Limited | UK[2] | 66% | Ordinary |

[1]The registered address is Ropemaker Place, 28 Ropemaker Street, London, EC2Y 9HD, United Kingdom.
[2]The registered address is Atria One, 144 Morrison Street, Edinburgh, EH3 8EX, Scotland, United Kingdom.
[3]The registered address is Katehaki 58, Athens, 11525, Greece
[4]The registered address is Grant Thorton, Athens 58 Katehaki Av., 11525, Greece
[5]The registered address is 46 Imeras Street, Ptolemaida, P.C. 50200, Greece
[6]The registered address is Via Giorgio, Giulini 2, CAP 20123, Milano, Italy.
[7]The registered address is via Venti Settembre, 69, Palermo, Italy.
[8]The registered address is Augusta (SR) , Via Deledda 5, 96011, Sicily, Italy.
[9]The registered address is Largo Donegani 2, 20121, Milano, CAP, Italy.
[10]The registered address is Calle Serrano, 21, 5th Floor, 28001, Madrid, Spain.
[11]The registered address is calle Serrano numero 21, 5a Planta, 28001, Madrid, Spain.
[12]The registered address is Grant Thornton Poland - Grant Thornton Frąckowiak sp z.o.o, Malta Office Park, Bud. F, ul. Abpa A. Baraniaka 88 61-131 Poznan, Poland
[13]The registered address is Via Melchiorre Gioia 8, 20124 Milano MI, Italy
[14]The registered address is 18th Floor, Unit A, Centropolis, 26 Ujeongguk-ro, Jongno-gu, Seoul, 03161, Republic of Korea
[15]The registered address is 9 Straits View, #21-07 Marina One West Tower, 018937, Singapore
[16]The registered address is Level 6, 50 Martin Place, Sydney NSW 2000, Australia
[17]The registered address is 27F-1, Taipei Nanshan Plaza, No. 100 Songren Road, Xinyi District, Taipei, 11073, Taiwan
[18]The registered address is Radmasgaten 24, Halllands lan, 541 45, Falkenberg kommun, Skovde, Sweden
[19]The registered address is Sao Paulo, Estado de Sao Paulo, Rua Iguatemi, no 192, Ed., Iguatemi Office Building, 13 andar, conjunto 132, sala 02, CEP 01451-010, Brazil
[20]The registered address is Corporation Service Company, 251 Little Falls Drive, Wilmington, DE, 19808, United States
[21]The registered address is GDL 203 Rue de Bercy, 75012, Paris, France
[22]The registered address is Grant Thornton Societe d'Avocats, 29 Rue du Pont, 92200, Neuilly Sur Seine, France

## Notes to the financial statements for the financial year ended 31 March 2023 (continued)

### Note 18. Related party information (continued)

[23]The registered address is 9th Km. Thessaloniki-Thermi, Building Thermi, No. 2, Pylea-Chortiatis, Central Macedonia, 57001, Greece
[24]The registered address is Grunwaldzka 229, 85-451, Bydgoszcz, Poland
[25]The registered address is Piazza Cavour 19, 00193, Roma, Italy
[26]The registered address is Pozuelo de Alarcon-Somosaguas, Paseo del Club Deportivo 1, Ed. 06-A, Parque Empresarial La Finca, C.P. 28.223, Mardrid, Spain
[39]The registered address is Thorvaldsensvej 2, 5. th., 1871 , Frederiksberg C, Denmark
[42]The registered address is 9th km. Thessaloniki-Thermi, Building Thermi, No. 2, Pylea-Chortiatis, Central Macedonia, 57001, Greece
[44]The registered address is ul. Aleje Ujazdowskie, No. 41, 00-540, Warsaw, Poland
[45]The registered address is ul. Jasna 14/16A , 00-041, Warsaw, Poland

### Note 19. Directors' remuneration

Directors' emoluments paid by the Company for the financial year ended 31 March 2023 were £nil (2022: £nil).

During the financial years ended 31 March 2023 and 31 March 2022, all Directors were employed by and received all emoluments from other Macquarie Group undertakings. The Directors perform Directors' duties for multiple entities in the Macquarie Group, as well as their employment duties within Macquarie Group businesses. Consequently, allocating their employment compensation accurately across all these duties would not be meaningful.

### Note 20. Contingent liabilities and commitments

The following commitments exclude derivatives:

| | 2023<br>£'000 | 2022<br>£'000 |
|---|---|---|
| Commitments exist in respect of: | | |
| Undrawn credit facilities[1] | **242,497** | 241,245 |
| Tangible assets and right-of-use assets | **49,331** | 96,465 |
| **Total commitments** | **291,828** | 337,710 |

[1]Undrawn credit facilities are irrevocably extended to clients. These amounts include fully or partially undrawn commitments that are legally binding and cannot be unconditionally cancelled by the Company.

### Note 21. Ultimate parent undertaking

At 31 March 2023 the immediate parent undertaking of the Company is Green Investment Group Limited.

The ultimate parent undertaking and controlling party of the Company is MGL. The largest group to consolidate these financial statements is MGL, a Company incorporated in Australia. The smallest group to consolidate these financial statements is Macquarie Financial Holdings Pty Limited ("MFHPL"), a Company incorporated in Australia. Copies of the consolidated financial statements for MGL and MFHPL can be obtained from the Company Secretary, Level 6, 50 Martin Place, Sydney, New South Wales, 2000 Australia.

### Note 22. Events after the reporting date

There were no material events subsequent to 31 March 2023 and up until the authorisation of the financial statements for issue, that have not been reflected in the financial statements.

# Independent auditors' report to the members of Green Investment Group Investments Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, Green Investment Group Investments Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Directors' Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 March 2023; the Profit and loss account and Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

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

#### Independence

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

### Conclusions relating to going concern

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

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

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

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

### Reporting on other information

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

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

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

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

### Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 March 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

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

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

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

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting inappropriate journals to manipulate financial performance, and management bias in the determination of accounting estimates and judgements.. Audit procedures performed by the engagement team included:

- Inquiries of management and those charged with governance, including review of meeting minutes in so far as they relate to the financial statements, and consideration of known or suspected instances of non-compliance with laws and regulation and fraud;

- Identifying and testing journal entries meeting specific criteria including consideration of journals posted by unexpected users or terminated users, unusual revenue transactions, journals posted by seldom users, journals containing keywords, and any late adjustment journals;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Review of financial statement disclosures and testing to supporting documentation including assessment of compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their accounting estimates; and
- Incorporating unpredictability into the nature, timing and extent of audit procedures performed.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

### Use of this report

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

# Other required reporting

## Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

P Barnett

Phillip Barnett (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
20 December 2023