

PIP PPP Limited

**Annual Report and Audited
Financial Statements**

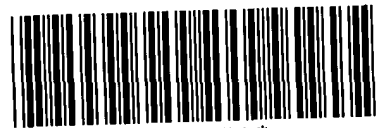
For the period from incorporation 30 August 2017 to 31 December 2018

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PIP PPP LIMITED

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PIP PPP LIMITED

SUMMARY OF DIRECTORS AND ORGANISATION

DIRECTORS:	P Burgess (appointed 30 August 2017) E Wilson (appointed 30 August 2017) M Weston (appointed 30 August 2017, resigned 21 December 2018)
REGISTERED OFFICE:	Cannon Place Cannon Street London England EC4N 6AF
ADMINISTRATOR AND SECRETARY:	Infrastructure Managers Limited (appointed 25 January 2019) 2nd Floor 11 Thistle Street Edinburgh Scotland EH2 1DF
BANKER:	Royal Bank of Scotland 62-63 Threadneedle St London EC2R 8LA
INDEPENDENT AUDITORS:	BDO LLP 55 Baker St London W1U 7EU
INVESTMENT MANAGER:	PIP Manager Limited Birchin Court 20 Birchin Lane London England EC3V 9DU

PIP PPP LIMITED

REPORT OF THE DIRECTORS

For the period from incorporation 30 August 2017 to 31 December 2018

The Directors present their annual report and audited financial statements for PIP PPP Limited (the "Company") for the period from Incorporation 30 August 2017 to 31 December 2018.

Registered office

The Company's registered office is Cannon Place, Cannon Street, London, England, EC4N 6AF.

Financial risk management

The key risks and uncertainties faced by the Company are managed within the framework established for the Investment Manager by the Directors. Exposures to market risk, credit risk and liquidity risk arise in the normal course of the Company's business. These risks are discussed, and supplementary qualitative and quantitative information is provided in Note 12 to the financial statements. The Company is funded by its Immediate Parent PIP Multi-Strategy Infrastructure PPP LP, and as a result financial risks are managed by the Company in conjunction with the Immediate Parent.

Results and dividends

The Company's total comprehensive loss for the period was £78,680k. No dividends were paid or declared during the period.

Future developments

The Company remains committed to the business of holding Investments and will continue to manage its existing and new investments in the future.

Directors

The directors who served the Company during the period and up to the date of this report were as follows:

P Burgess (appointed 30 August 2017)

E Wilson (appointed 30 August 2017)

M Weston (appointed 30 August 2017, resigned 21 December 2018)

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the audited financial statements in accordance with applicable law (i.e. the Companies Act 2006) and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRSs"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year.

PIP PPP LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

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

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

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

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the Company and enable the Directors to ensure that the financial statements comply with the applicable law and IFRSs. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

Qualifying indemnity provision

The Company has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

Audit information

The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they each are aware, there is no relevant audit information of which the Company's Independent Auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Independent Auditors are aware of that information.

Subsequent events

The Directors have evaluated the impact of all subsequent events on the Company occurring between the end of the reporting period and the date the financial statements were available to be issued and have determined there were no subsequent events requiring adjustment or additional disclosure at the date of signing this report and the audited financial statements.

Going concern

The Directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the Directors have taken into account all available information about the foreseeable future, including the fact that the Company is funded by its Immediate Holding Companies, and consequently the going concern basis is appropriate in preparing the financial statements.

Independent auditors

BDO LLP were appointed as auditors during the period.

~~BDO LLP have indicated their willingness to continue in office for next year. The decision to reappoint BDO LLP next year will be under consideration by the directors.~~

By order of the Board,



Director
Paula Burgess

PIP PPP LIMITED

STRATEGIC REPORT For the period ended 31 December 2018

The Directors present their strategic report on the Company for the period ended 31 December 2018.

Results and review of business

The total comprehensive loss for the period is set out in the Statement of Comprehensive Income on page 8. The Directors consider the performance of the Company during the period and its financial position at the end of the period, to be in line with the long term expected performance of the project, and its prospects for the future to be satisfactory.

Principal activity

The company was incorporated in England and Wales on 30 August 2017.

The Company operates as an investment holding company. The Company holds an equity investment in PIP Infrastructure Managers Limited. The Directors do not expect any developments in the Company's business in the current period to result in significant changes in its present activities.

Principal risks and uncertainties

The key risks and uncertainties faced by the Company are managed within the framework established for the Investment Manager. Exposures to market risk, credit risk and liquidity risk arise in the normal course of the Company's business. These risks are discussed, and supplementary qualitative and quantitative information is provided in Note 12 to the financial statements. The Company is funded by the Immediate Holding Companies and as a result financial risks are managed by the Company in conjunction with the Immediate Holding Companies.

Key performance indicators

The Directors of the Company consider its operations to be consistent with those at the level of the Immediate Holding Companies that are managed by the Investment Manager. For this reason, the Company's Directors believe that an analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company.

By order of the Board,



Director
Paula Burgess

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PIP PPP LIMITED

Opinion

We have audited the financial statements of PiP PPP Limited ("the Company") for the 16 month period ended 31 December 2018 which comprise The Statement of Comprehensive Income, The Statement of Financial Position, The Statement of Changes in Equity and The Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PIP PPP LIMITED

we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Directors

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

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

Auditor's 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 auditor's 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PIP PPP LIMITED

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Vanessa-Jayne Bradley (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

16 July 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

PIP PPP LIMITED**STATEMENT OF COMPREHENSIVE INCOME****For the period from incorporation 30 August 2017 to 31 December 2018**

	<i>Note</i>	2018 £'000
Income		
Interest income	3	22,256
Net change in fair value of financial assets at fair value through profit or loss	6	(76,355)
Total income		<u>(54,099)</u>
EXPENSES		
Professional fees		2,751
Administration costs		45
Eurobond interest	10	21,688
Total expenses		<u>24,484</u>
Operating loss		(78,583)
Income tax charge	5	(97)
Loss after tax for the period		(78,680)
Other comprehensive income for the period		-
Total comprehensive loss for the period		<u>(78,680)</u>
Attributable to Equity holders:		
Total comprehensive loss for the period		<u>(78,680)</u>

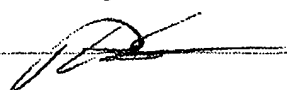
The notes on pages 12 to 29 form part of these financial statements.

PIP PPP LIMITED

STATEMENT OF FINANCIAL POSITION As at 31 December 2018

	<i>Notes</i>	2018 £'000
Assets		
Non-current assets		
Investments at fair value through profit and loss	6	372,262
Total non-current assets		<u>372,262</u>
Current assets		
Receivables and prepayments	8	52
Cash and cash equivalents		115
Total current assets		<u>167</u>
Total assets		<u><u>372,429</u></u>
Liabilities		
Non-current liabilities		
Loans and borrowings	10	223,605
Total non-current liabilities		<u>223,605</u>
Current liabilities		
Payables and accruals	11	155
Total current liabilities		<u>155</u>
Total liabilities		<u>223,760</u>
Equity		
Share capital	9	227,349
Retained earnings		(78,680)
Total equity		<u>148,669</u>
Total equity and liabilities		<u><u>372,429</u></u>

The financial statements were authorised for issue by the Board of Directors of the Company and signed on its behalf by:



Director
Paula Burgess

The notes on pages 12 to 29 form part of these financial statements.

PIP PPP LIMITED

STATEMENT OF CHANGES IN EQUITY

For the period from incorporation 30 August 2017 to 31 December 2018

	Share capital £'000	Retained earnings £'000	Total equity £'000
Issue of share capital	227,349	-	227,349
Total comprehensive income for the period	-	(78,680)	(78,680)
Balance at 31 December 2018	227,349	(78,680)	148,669

The notes on pages 12 to 29 form part of these financial statements.

PIP PPP LIMITED

STATEMENT OF CASH FLOWS

For the period from incorporation 30 August 2017 to 31 December 2018

	<i>Notes</i>	2018 £'000
Cash flows from operating activities		
Total comprehensive (loss) for the period		(78,680)
Adjustment for:		
Tax	5	97
Movement in financial assets at fair value through profit or loss	6	76,355
Capitalised interest - Investment in debt securities		(22,256)
Capitalised interest - Loans and borrowings		21,688
Non-cash transaction costs in purchase of investments		2,904
		<hr/> 108
Increase in receivables and prepayments	8	(52)
Increase in payables and accruals	11	59
		<hr/> 115
Net cash flow used in operating activities		<hr/> 115
Net increase / (decrease) in cash and cash equivalents		115
Cash and cash equivalents at 30 August 2017		-
		<hr/> 115
Cash and cash equivalents at 31 December 2018		<hr/> <hr/> 115

The notes on pages 12 to 29 form part of these financial statements.

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period from incorporation 30 August 2017 to 31 December 2018

1. GENERAL INFORMATION

The Company is domiciled in the UK. The address of its registered office is Cannon Place, Cannon Street, London, England, EC4N 6AF.

The Company operates as an investment holding company.

The financial statements are presented in GBP rounded to the nearest £1000.

These financial statements were authorised for issue by the Board of Directors of the Company on 16 July 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements of the Company have been prepared on a going concern basis in accordance with applicable law (i.e. the Companies Act 2006) and IFRS as issued by the International Accounting Standards Board that is endorsed for use in the European Union. The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain financial instruments at fair value

This is the first period the Company has prepared financial statements.

The Company meets the definition of an Investment Entity as defined by IFRS 10 and is required to account for the investment in the subsidiary at fair value through profit and loss.

The preparation of financial statements in accordance with IFRSs requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 13.

(a) Standards and amendments to existing standards effective after 30 August 2017 and have been early adopted

IFRS 9, 'Financial Instruments' became effective for annual periods beginning on or after 1 January 2018. IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 requires financial assets to be classified into three measurement categories: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the IFRS 9 retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. IFRS 9 also introduces a new expected credit loss impairment model.

IFRS 15, 'Revenue from Contracts with Customers' became effective for annual periods beginning on or after 1 January 2018 and replaces IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. IFRS 15 specifies how a company should recognise revenue, as well as requiring those companies to provide users of financial statements with more informative and relevant disclosures. The new standard provides a single, principles based five-step model to be applied to all contracts with customers.

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period from incorporation 30 August 2017 to 31 December 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

(b) New standards, amendments and interpretations effective after 30 August 2017 and have not been early adopted

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early. The most significant of these are:

- IFRS 16 Leases (mandatorily effective for periods beginning on or after 1 January 2019)
- IFRIC 23 Uncertainty over Income Tax Positions (effective 1 January 2019)

None of these are expected to have a material effect on the financial statements of the Company.

At the date of authorisation of these financial statements, IFRS 16 'Leases' was issued but will not become effective until accounting periods beginning on or after 1 January 2019. As the Company's investments are held at fair value through profit or loss and any leases are held at SPV level, the introduction of IFRS 16 is not expected to have a material impact on the reported results and financial position of the Company.

Other accounting standards and Interpretations have been published and will be mandatory for the Company's accounting periods beginning on or after 1 January 2019 or later periods. The impact of these standards is not expected to be material to the reported results and financial position of the Company.

2.2 Investment entity

The Company has determined that it meets the definition of an investment entity per IFRS 10 as the following conditions exist:

- a) The Company has obtained funds for the purpose of providing investors with professional investment management services;
- b) The Company's business purpose, which was communicated directly to investors, is investing for capital appreciation and investment income; and
- c) The investments are measured and evaluated on a fair value basis.

In determining the Company's status as an investment entity in accordance with IFRS 10, the Company considered the following:

- a) The Company's parent entity has raised commitments from a number of investors in order to raise capital to invest in infrastructure investments through the Company and to provide the investors with investment management services with respect to these infrastructure investments;
- b) The Company intends to generate capital and income returns from its infrastructure investments which will, in turn, be distributed in accordance with the Company's policy; and
- c) The Company evaluates its infrastructure investments' performance on a fair value basis, in accordance with the policies set out in these financial statements.

Although the Company met all three defining criteria, it has also assessed the business purpose of the Company, the investment strategies for the infrastructure investments, the nature of any earnings from the infrastructure investments and the fair value models. The Company made this assessment in order to determine whether any additional areas of judgment exist with respect to the typical characteristics of an investment entity versus those of the Company. Subsidiaries are therefore measured at fair value through profit or loss, in accordance with IFRS 13 "Fair Value Measurement" and IFRS 9 "Financial Instruments".

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Foreign currency translation

(a) Functional and presentation currency

The operating and investing activities of the Company is denominated in Pound Sterling ("GBP"). As such the performance of the Company is measured and reported in GBP. The Directors consider GBP as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions of the Company. The financial statements are presented in GBP, the Company's functional and presentation currency.

(b) Translations and balances

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income.

2.4 Financial assets at fair value through profit and loss

(a) Classification

The Company classifies its investment in equity securities and loan security receivables as financial assets at fair value through profit or loss. The company classifies its liabilities at amortised cost.

(i) Financial assets designated at fair value through profit or loss at inception

Financial assets designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Company's documented investment strategy.

The Company's policy requires the Directors to evaluate the information about these financial assets on a fair value basis together with other related financial information.

(ii) Financial liabilities at amortised cost

Financial liabilities are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Comprehensive Income over the period of the borrowing using the effective interest method.

(b) Recognition, derecognition and measurement

Financial assets at fair value through profit or loss and financial liabilities at amortised cost are initially recognised at fair value. Transaction costs are expensed as incurred in the Statement of Comprehensive Income.

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

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in the Statement of Comprehensive Income within "Net changes in fair value of financial assets at fair value through profit or loss" in the period in which they arise.

Subsequent to initial recognition, all financial financial liabilities at amortised cost are measured at amortised cost. Gains and losses arising from changes in the amortised cost of the "financial liabilities at amortised cost" category are presented in the Statement of Comprehensive Income within "Net changes in amortised cost of financial liabilities at amortised cost" in the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. The fair values of equity securities and holding company investments are calculated using discounted cash flow models based on future profitability forecasts. In summary, the valuation model will include the review of operational performance against plan and other general operational risk indicators.

The valuation methodology employed is based on a discounted cash flow analysis of the future expected equity and loan note cash flows (including all fee income). The fair value for each investment is derived from the present value of the investment's expected future cash flows, using reasonable assumptions and forecasts and an appropriate discount rate. The Investment Manager exercises its judgment in assessing the expected future cash flows from each investment. Each investee company produces detailed concession life financial models. The Company's share of those cash flows are then extracted and a discount rate applied. The discount rate applied is subject to the appropriate risk free rate e.g. Indexed Linked Gilts and the projects' performance and risks (e.g. liquidity, currency risks, market appetite) including any risks to project earnings (e.g. predictability and covenant of the concession income), all of which may be differentiated by project phase.

2.5 Investment in subsidiary

A subsidiary is an entity that is controlled by the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Where the Company is deemed to control an underlying portfolio company either directly or indirectly through a holding company subsidiary and whether the control be via voting rights or through the ability to direct the relevant activities in return for access to a significant portion of the variable gains and losses derived from those relevant activities, the underlying portfolio company and its results are not consolidated and are instead reflected at fair value through profit or loss. As at 31 December 2018, the Company is directly invested in one such portfolio company.

The Company does not have any other direct subsidiaries other than that determined to be an investment entity. Investment entity subsidiary investment is measured at fair value through profit or loss and is not consolidated in accordance with IFRS 10. Dividends from the investment are recognised in profit or loss.

Movements in the fair value of the Company's underlying portfolio company held via the investment entity subsidiary and the existence of unfunded commitments may expose the Company to potential gains or losses.

2.6 Receivables

Receivables except for debt securities are initially recognised at fair value and measured subsequently at amortised cost using the effective interest rate method.

2.7 Cash and cash equivalents

Cash and cash equivalents consist of cash balances that are freely available and other cash balances with an original maturity of three months or less and bank overdraft. As at 31 December 2018, the carrying amounts of cash and cash equivalents approximate their fair value.

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Payables and accruals

Payables and accruals are recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. Payables and accruals are derecognised when the obligation under the liability is discharged or cancelled or expires.

2.8 Loans and borrowings

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Comprehensive Income over the period of the borrowing using the effective interest method.

2.9 Share capital

Ordinary shares are classified as equity.

2.10 Expenses

Expenses are recognised on an accruals basis. All operational expenses of the Company are borne by the Immediate Holding Companies and hence are not recognised within the Statement of Comprehensive Income.

2.11 Interest income

Interest income is recognised on an accruals basis using the effective interest method. It includes interest income from cash and cash equivalents and cash collateral at amortised cost.

2.12 Taxation

The Company is exempt from income tax on its UK dividend income. Income from any other sources is taxable at 19%. Current tax, including UK corporation tax, is reflected at amounts to be recovered or paid using the tax rate and laws that have been enacted or substantively enacted at the Statement of Financial Position date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The Directors have determined there were no deferred tax assets or liabilities at 31 December 2018.

2.13 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors, as a whole. For management purposes, the Company is organised into one main operating segment, which invests indirectly in PPP assets. All of the company's income is generated within the UK. All of the company's non-current assets are located in the UK.

3. INTEREST INCOME

	2018 £'000
Group interest receivable	22,256
	<u>22,256</u>

PIP PPP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the period from incorporation 30 August 2017 to 31 December 2018

4. AUDITORS' REMUNERATION

Fees charged by the Company's Independent Auditor for the audit of the Company's annual financial statements for the period ended 31 December 2018 amounted to £5k. No non-audit services were provided to the Company.

5. TAX

	2018 £'000
Current tax expense	
Current period	97
Reconciliation of effective tax rate	
Loss before tax	(78,583)
Tax using the Company's domestic tax rate of 19%	(14,931)
Expenses not deductible for tax purposes	15,028
Total tax charged in Statement of Comprehensive Income	97

6. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2018 £'000
Equity interest	100,312
Investment in debt securities	271,950
	<u>372,262</u>

Changes in financial assets at fair value through profit or loss

	Equity interest £'000	Investment in debt securities £'000	Total £'000
As at 30 August 2017	-	-	-
Additions	224,445	201,917	426,362
Capitalised interest	-	22,255	22,255
Net change in fair value of financial assets at fair value through profit or loss	(124,133)	47,778	(76,355)
As at 31 December 2018	<u>100,312</u>	<u>271,950</u>	<u>372,262</u>

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

	2018 £'000
Change in unrealised gain for Level 3 assets held as at period end and included in net changes in fair value of financial assets at fair value through profit or loss	(76,355)

£201,917k Unlisted Unsecured Subordinated Loan Stock 2028 was acquired by the Company on 6 December 2017. The loan stock bears interest at a rate of 10.047%. The loan stock is unsecured and in the event of the Company winding up, it would rank alongside ordinary debtors. The interest on the principal amount accrues daily and is payable in cash on 30 June and 31 December each year. If the Company does not have sufficiently available cash to make any interest payments, these amounts will be deferred and capitalised.

As at 31 December 2018 the carrying amounts of the financial assets at fair value through profit and loss approximate their fair value.

7. INVESTMENT IN SUBSIDIARY

	2018 Fair value £'000	% of net assets £'000
Investment in subsidiary	100,312	67.47

The subsidiary of the Company is as follows:

Subsidiary	Registered office address	Principal activity	Date of incorporation	Country of incorporation
PIP Infrastructure Managers Limited	2nd floor, Thistle street, Edinburgh, Scotland, EH2 1DF	Investment holding	4 July 2007	United Kingdom

The company owns 100% of the issued share capital in PIP Infrastructure Managers Limited.

8. RECEIVABLES AND PREPAYMENTS

	2018 £'000
Amounts due from related parties (Note 16)	52
	52

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

9. SHARE CAPITAL AND SHARE PREMIUM

	2018 £'000
Authorised 227,348,883 ordinary shares of GBP1 each	227,349
Issued and fully paid 227,348,883 ordinary shares of GBP1 each	227,349

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

10. LOANS AND BORROWINGS

The Company created and authorised the issue of fixed rate unsecured loan notes. The holder of these loan notes is the parent PIP PPP MSI LP. The Loan Notes were subsequently formally admitted to the Official List of The International Stock Exchange ("TISE").

The Loan Notes are redeemable in accordance with conditions set out in the loan instrument agreement. Interest shall accrue on the principal amount outstanding on the Loan Notes at 9.797% per annum. The interest is due to be paid to the Noteholder on 30 June and 31 December of each year. If the Company does not have sufficiently available cash to make any interest payments, these amounts will be deferred and capitalised.

The table below sets out the terms of the Loan Notes issued by the Company up to 31 December 2018:

Maturity date	Issue date	TISE admission date	Interest rate per annum	Loan Notes issue created and authorised
06/12/2047	06/12/2017	18/12/18	9.797%	GBP201,916,661

The movement in Loan Notes Issued by the Company up to 31 December 2018 is set out in the table below:

	31/12/2018 Balance £'000	Period to 31 December 2018 Issued £'000	Capitalised Interest £'000	30/08/2017 Balance £'000
Fixed rate unsecured redeemable loan notes 06/12/2047	223,605	201,917	21,688	-

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

11. PAYABLES AND ACCRUALS

	2018
	£'000
Accruals	19
Group payables (Note 16)	39
Corporation tax payable	97
	<hr/>
	155
	<hr/> <hr/>

12. FINANCIAL RISK MANAGEMENT

12.1 Financial risk factors

The objective of the Company's financial risk management is to manage and control the risk exposures of its investment portfolio. The Directors have overall responsibility for overseeing the management of financial risks. The review and management of financial risks are performed by the Directors, which has documented procedures designed to identify, monitor and manage the financial risks to which the Company is exposed. This note presents information about the Company's exposure to financial risks, its objectives, policies and processes for managing risk and the Company's management of its financial resources.

The Company indirectly owns a portfolio of investments in subordinated debt and the ordinary equity of PFI/PPP companies. These companies are structured at the outset to minimise financial risks of acquiring and holding the investments. The Company primarily focuses its risk management on the direct financial risks of acquiring and holding the investments, but continues to monitor the indirect financial risks of the underlying projects through representation, where appropriate, on the Boards of the project companies and the receipt of regular financial and operational performance reports.

12.1.1 Market risk

Market risk is defined as the potential loss in value or earnings of the Company arising from changes in external market factors such as:

- interest rates (interest rate risk);
- foreign exchange rates (currency risk); and
- equity markets (other price risk).

The investments are susceptible to market price risk arising from uncertainties about future values of the instruments. The Company has an Investment Manager who provides the Board of Directors with investment recommendations. The Investment Manager's recommendations are reviewed by the Board of Directors before the investment decisions are implemented.

The performance of the investments held by the Company are monitored by the Investment Manager and reviewed by the Board of Directors both on a quarterly basis.

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

12.1 Financial risk factors (continued)

12.1.1 Market risk (continued)

(a) Price risk

Returns from the Company's investments are affected by the price at which they are acquired. The value of the investments could go up or down and may not be realised equivalent to their original acquisition cost. As such the value varies with the movements in market prices, interest rates and competition for such assets.

Price risk arises from the Company's investments held at fair value through profit and loss, which are valued using a discounted cashflow method. Details of the valuation method and the results of sensitivity analysis are disclosed in note 12.3.

(b) Currency risk

The project in which the Company has invested in conducts its business, pays interest, dividends and principal in GBP. The Company is not exposed to any currency risk. Refer to the accounting policy in Note 2.3.

(c) Interest rate risk

The financial instruments of the Company have a fixed rate of interest. The Company is not directly affected by changes in interest rate risk, except as part of the exercise to value its unlisted investment.

(d) Inflation risk

The Company's project company is generally structured so that contractual income and costs are either wholly or partially linked to specific inflation where possible to minimise the risks of a mismatch between income and costs due to movements in inflation indexes. The Company's overall cash flows are estimated to partially vary with inflation. The effect of these inflation changes do not always immediately flow through to the Company's cash flows as there is a time lag due to the financial model only being updated on a 6 monthly basis.

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

12.1 Financial risk factors (continued)

12.1.2 Credit risk

Credit risk is the risk that a counterparty of the Company will be unable or unwilling to meet a commitment that it has entered into with the Company. The Company's direct counterparties are the project companies in which it makes investments. The Company's near term cash flow forecasts are used to monitor the timing of cash receipts from project counterparties. Underlying the cash flow forecasts are project companies' cash flow models, which are regularly updated by project companies for the purposes of demonstrating the projects' ability to pay interest and dividends based on a set of detailed assumptions. Many of the Company's investments and their subsidiary entities generally receive revenue from government departments, public sector or local authority clients. Therefore a significant portion of the Company's revenue arises from counterparties of good financial standing.

The Company is also reliant on the projects' subcontractors continuing to perform their construction contract and service delivery obligations such that revenues to projects are not disrupted. The Company has a subcontractor counterparty monitoring procedure in place. The credit standing of subcontractors is reviewed and the risk default estimated for each significant counterparty position. Monitoring is ongoing and period end positions are reported to the Directors on a quarterly basis.

No classes within trade and receivables contain impaired assets.

The maximum exposure to credit risk over financial assets is the carrying value of those assets in the Statement of Financial Position and as set out below:

	2018
	£'000
Equity Interest	100,312
Investment in debt securities	271,950
Receivables and prepayments	52
Cash and cash equivalents	115
	<hr/>
	372,429
	<hr/> <hr/>

The cash investments of the Company are limited to financial institutions of a suitable credit quality.

As at 31 December 2018, the Company did not record any overdue and impaired balances. The table below sets out the internal credit rating of equity securities:

	2018
	%
Internal rating – better than satisfactory risk	-
Internal rating – satisfactory risk	100
Internal rating – viable but monitoring	-
Internal rating – high risk	-

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

12.1 Financial risk factors (continued)

12.1.2 Credit risk (continued)

The table below sets out the internal credit rating of debt securities:

	2018
	%
Internal rating – better than satisfactory risk	-
Internal rating – satisfactory risk	100
Internal rating – viable but monitoring	-
Internal rating – high risk	-

12.1.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient financial resources and liquidity to meet its liabilities when due. The Company's activity is predominantly funded by long-term funding and the Company's liquidity risk is managed in conjunction with the established framework.

The Company's investments are generally in private companies in which there is no active market and, therefore, such investments would take time to be realised and there is no assurance that the valuations placed on the investments would be achieved from any such sale process.

The Company's investment companies have borrowings which rank senior to the Company's own investments in these project companies. The senior debt is structured such that, under normal operating conditions, it will be repaid within the expected life of the projects. Debt raised by the investment companies from third parties is without recourse to the Company.

The Company operates as an investment structure whereby the Company invests and commits to invest into various portfolio companies. As at 31 December 2018, there were no outstanding capital commitment obligations with respect to specific portfolio company acquisitions and no amounts due to the portfolio company for unsettled purchases.

The following table illustrates the expected maturity of assets held and undrawn capital commitments and represents the Company's expected maturity for its financial assets together with the contractual undiscounted cash flow amounts:

As at 31 December 2018	Less than 1 month £'000	1-12 months £'000	More than 12 months £'000
Debt securities	-	-	271,950
Receivables and prepayments	-	52	-
Cash and cash equivalents	-	115	-
	-	167	271,950

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

12.1 Financial risk factors (continued)

12.1.3 Liquidity risk (continued)

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	On demand £'000	Less than 1 year £'000	Between 1 and 5 years £'000	More than 5 years £'000
As at 31 December 2018				
Liabilities				
Eurobond capital	-	-	-	223,605
Payables and accruals	-	155	-	-
Total		155	-	223,605

12.2 Capital risk management

The capital of the Company is represented by the net assets attributable to its shareholders. The amount of net assets attributable to its shareholders may change as the Company may adjust the amount of dividends paid to its shareholders, return capital to its shareholders, issue new shares or sell assets to reduce capital. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for its shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Company.

The Company has no lease arrangements or externally imposed capital requirements.

12.3 Fair value estimation

For instruments for which there is no active market, the Company may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted equity for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Company holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

The models used to determine fair values are validated and periodically reviewed by the Investment Manager and approved by the Board of Directors quarterly.

The carrying value of payables and accruals is assumed to approximate their fair value.

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

12.3 Fair value estimation (continued)

The fair value of financial assets for disclosure purposes are derived using a discounted cash-flow method, estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments. The weighted average discount rate of the Company's investments is 6.54%.

The fair value of the Company's investments is £372,262k. The analysis below is provided to illustrate the sensitivity of the fair value of investments to an individual input, while all other variables remain constant. The Board considers these changes in inputs to be within reasonable expected ranges. This is not intended to imply the likelihood of change or that possible changes in value would be restricted to this range.

Input	Base case	Change in input	Change in fair value of investments £'000
		+0.5%	(18,683)
Discount rate	6.54%	-0.5%	20,275
		+0.5%	7,027
Inflation		-0.5%	(6,548)

Fair value hierarchy

The fair value hierarchy consists of the following three levels:

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset liability, either directly or indirectly;
- Level 3: inputs for the asset or liability that are not based on observable market data inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' input requires significant judgment by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

12.3 Fair value estimation (continued)

The following table analyses, within the fair value hierarchy, the Company's investments measured at fair value:

	Level 1 £'000	Level 2 £'000	Level 3 £'000
As at 31 December 2018			
Equity interest	-	-	100,312
Investment in debt securities	-	-	271,950
	<hr/>	<hr/>	<hr/>
	-	-	372,262
	<hr/>	<hr/>	<hr/>

There were no transfers between levels during the year.

The following table analyses the changes in the value of Level 3 assets held at fair value during the year:

	2018 £'000
As at 30 August 2017	-
Additions	426,362
Net change in fair value of financial assets at fair value through Capitalised interest	(76,355)
	<hr/>
As at 31 December 2018	372,262
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The significant unobservable input is the discount rate.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

13. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the financial statements requires the application of estimates and assumptions which may affect the results reported in the financial statements. Estimates, by their nature, are based on judgment and available information. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are those used to determine the fair value of the investments as disclosed in note 12.3 to the financial statements. The estimates and assumptions that have a significant risk of causing a material impact on the financial statements are outlined below.

(a) Fair value of equity securities including investment in subsidiary

The Company may, from time to time, hold financial instruments that are not quoted in active markets such as the unlisted equity securities. Fair values of such instruments are determined by using valuation techniques (see Note 12.3). Where valuation techniques are used to determine fair values, they are validated and periodically reviewed by the Board of Directors and approved by the Board of Directors quarterly.

(b) Investment entity status

The Directors have determined that the Company meets the definition of an investment entity. See accounting policy 2.2 for details.

(c) Subsidiary

The Company controls 100% of the voting rights and ownership interests in PIP Infrastructure Managers Limited.

Per IFRS 10, there is a requirement for the Directors to assess whether the Subsidiary is itself an Investment Entity. The Directors have performed this assessment and have concluded that the Subsidiary is itself an Investment Entity for the reasons below:

- (i) The Subsidiary has obtained funds for the purpose of investing in equity or other similar interests in multiple investments and providing the Company and its investors with returns from capital appreciation and investment income.
- (ii) The performance of investments made through the Subsidiary are measured and evaluated on a fair value basis.

Furthermore, the Subsidiary is not deemed to be an operating entity providing services to the Company, and therefore is able to apply the exception to consolidation.

Movements in the fair value of the Subsidiary's portfolio and corresponding movements in the fair value of the Subsidiary may expose the Company to a loss.

PIP PPP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the period from incorporation 30 August 2017 to 31 December 2018

14. FINANCIAL INSTRUMENTS BY CATEGORY

	Financial assets at amortised cost £'000	Designated at fair value through profit or loss £'000	Total £'000
As at 31 December 2018			
Assets			
Equity interest	-	100,312	100,312
Investment in debt securities	-	271,950	271,950
Receivables	52	-	52
Cash and cash equivalents	115	-	115
	<u>167</u>	<u>372,262</u>	<u>372,429</u>

	Financial liabilities at amortised cost £'000	Designated at fair value through profit or loss £'000	Total £'000
As at 31 December 2018			
Liabilities			
Loans and borrowings	223,605	-	223,605
Payables and accruals	155	-	155
	<u>223,760</u>	<u>-</u>	<u>223,760</u>

As at 31 December 2018 the carrying amounts of the financial assets and liabilities at amortised cost approximate their fair value.

15. STAFF COSTS

The Company has no employees. The Directors of the Company waived their right to receive Directors' remuneration.

PIP PPP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from incorporation 30 August 2017 to 31 December 2018

16. RELATED PARTIES TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

PIP MSI PPP LP holds 100% of the Company's share capital in issue. During the period ended 31 December 2018, PIP MSI PPP LP paid invoices on behalf of PIP PPP Limited totalling £2,686k. At the period end £24k was due to PIP MSI PPP LP.

During the period PIP PPP Limited issued interest-bearing loan notes of £201,916k to PIP MSI PPP LP. During the period to 31 December 2018, interest of £21,688k was incurred and interest of £21,688k of interest was capitalised. At the period end £223,605k was due to PIP MSI PPP LP.

PIP PPP Limited owns 100% of the share capital of PIP Infrastructure Managers Limited. During the period to 31 December 2018, PIP Infrastructure Managers Limited issued debt securities of £201,917k to PIP PPP Limited. During the period to December 31 2018, interest of £22,256k was incurred and interest of £22,256k was capitalised. At the period end the fair value of the debt securities due from PIP Infrastructure Managers Limited was £271,951k.

During the year PIP Infrastructure Managers Limited paid expenses of £11k on behalf of PIP PPP Limited. At 31 December 2018 £11k was outstanding.

PIP PPP Limited has an indirect holding of 100% of the share capital in PIP Infrastructure Investments (No 5) Limited. During the period to 31 December 2018 PIP PPP Limited transferred £41k to PIP Infrastructure Investments (No 5) Limited. At 31 December 2018 £41k was due from PIP Infrastructure Investments (No 5) Limited.

PIP PPP Limited has an indirect holding of 100% of the share capital in PIP Infrastructure Investments (No 6) Limited. During the period to 31 December 2018 PIP Infrastructure Investments (No 6) Limited transferred £44k to PIP PPP Limited. During the period to 31 December 2018 PIP PPP Limited paid expenses of £50k on behalf of PIP Infrastructure Investments (No 6) Limited. At 31 December 2018 £16k was due from PIP PPP Limited to PIP Infrastructure Investments (No 6).

17. ULTIMATE PARENT UNDERTAKING

As at 31 December 2018, the Company's immediate and ultimate parent undertaking was the Immediate Holding Company PIP Multi-Strategy Infrastructure PPP LP.

18. SUBSEQUENT EVENTS

Management has evaluated the impact of all subsequent events on the Company occurring between the end of the reporting period and the date the financial statements were available to be issued and has determined there were no subsequent events requiring adjustment or additional disclosure at the date of signing this report and the audited financial statements.