Civis PFI/PPP Infrastructure Finance Limited

Annual Report and Financial Statements

Registered number 106933

31 December 2018

Contents

Directors' Report

The Directors present their annual report and the audited financial statements for the year ended 31 December 2018.

Business review

Civis PFI/PPP Infrastructure Finance Limited was incorporated on 18 November 2010.

The principal activity of Civis PFI/PPP Infrastructure Finance Limited is to provide finance to other companies within the Civis PFI/PPP Infrastructure Fund Group.

Lend Lease PFI/PPP Infrastructure Fund LP changed its name to Civis PFI/PPP Infrastructure Fund LP on 19 January 2016. Lend Lease PFI/PPP Infrastructure Finance Limited changed its name to Civis PFI/PPP Infrastructure Finance Limited on 2 February 2017.

The Company is a limited company incorporated and domiciled in Jersey. The registered office is Vistra, 4th Floor, St Pauls Gate, 22-24 New Street, St Helier, Jersey, JE1 4TR

Results and dividends

The results of the Company for the year are set out in the profit and loss account on page 6. The results and the position of the Company at the year-end are in line with the expectations of the directors.

The profit for the year after taxation amounted to £43,255 (2017: £38,967). During the year the directors approved and paid dividend payments of £nil (2017: £50,000).

Directors and directors' interests

The directors who held office during the year were as follows:

B Millsom

J McDonagh

None of the directors who held office at the end of the year had any disclosable interest in group undertakings as recorded in the register of directors' interest.

Political and charitable contributions

The company made no political or charitable contributions during the year (2017: £nil).

Disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

PricewaterhouseCoopers LLP were appointed as external auditors commencing with the 2016 year-end and have indicated their willingness to continue in office.

By order of the board.

B Millsom
Director
19 JUNE 2019

Vistra
22 - 24 New Street
St Helier
Jersey
JE1 4TR

Statement of directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the Annual Report and the 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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 102, 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.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991.

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.

Independent auditors' report to the members of Civis PFI/PPP Infrastructure Finance Limited

Report on the audit of the financial statements

Opinion

In our opinion, *Civis PFI/PPP Infrastructure Finance Limited*'s financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31st December 2018 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the *Annual Report and Financial Statements* (the "Annual Report"), which comprise: *the balance sheet as at 31 December 2018; the profit and loss account and other comprehensive income, the cash flow statement, and the statement of changes in equity for the year then ended*; the accounting policies; 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.

Our audit approach

Overview

- £826,828 (2017: £804,463) based on 1% of total assets.

- We give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.
- All audit work was performed by one team in the UK.

- We have no key audit matters to report.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. Based on the results of our risk assessment and audit procedures performed, we determined that there were no key audit matters that we needed to communicate as part of our report.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

The company is a wholly owned subsidiary of Civis PFI/PPP Infrastructure Fund LP. The company's principal activity is to raise finance in capital markets and then lend to other group companies.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£826,828 (2017: £804,463)
How we determined it	1% of total assets
Rationale for benchmark applied	As a non-profit orientated intermediary Holdco designed to provide loan investments throughout the group, total assets were deemed to be the most appropriate benchmark.

We agreed with Management that we would report to them misstatements identified during our audit above £41,341 (2017: £40,223) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

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

- 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the group's trade, customers, suppliers and the wider economy.

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 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.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Director's responsibilities set out on page 2, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council'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 Article 113A of the Companies (Jersey) Law 1991 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 (Jersey) Law 1991 exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept; or
- proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Mark Hoskyns-Abrahall
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants
Edinburgh

Profit and Loss Account and Other Comprehensive Income

for the year ended 31 December 2018

	Note	2018	2017
		£	£
Administrative expenses		(36,297)	(53,626)
Operating Loss		(36,297)	(53,626)
Interest receivable and similar income	*2*	9,568,601	8,863,759
Interest payable and similar charges	*3*	(9,459,226)	(8,761,874)
Profit on ordinary activities before taxation		73,078	48,259
Tax on profit on ordinary activities	*4*	(29,823)	(9,292)
Profit for the financial year		**43,255**	**38,967**
Other comprehensive income		-	-
Total comprehensive income for the year		**43,255**	**38,967**

There are no items of other comprehensive income in the current or prior year. The profit for the year represents the total comprehensive income for the year.

There is no difference between the profit on ordinary activities before taxation and the historical cost equivalent.

The profit for the year arise wholly from continuing operations.

The notes on pages 10 to 16 form an integral part of these Financial Statements.

Balance Sheet

as at 31 December 2018

	Note	**2018**	**2017**
		£	**£**
Current assets			
Debtors (including £80,057,324 (2017: £72,241,582) due after more than one year)	*5*	81,769,906	77,744,901
Cash at bank		912,929	2,701,421
		82,682,835	80,446,322
Creditors: amounts falling due within one year	*6*	(2,586,694)	(8,119,532)
Total assets less current liabilities		80,096,141	72,326,790
Creditors: amounts falling due after more than one year	*7*	(79,957,853)	(72,231,757)
Net assets		**138,288**	**95,033**
Capital and reserves			
Called up share capital	*9*	10,000	10,000
Profit and loss account		128,288	85,033
Total shareholders' funds		**138,288**	**95,033**

The notes on pages 10 to 16 form an integral part of these financial statements.

These statements were approved by the board of directors on 19 June 2019 and were signed on its behalf by:

B Millsom
Director
Company registered number: 106933

Statement of Changes in Equity

	Called up share capital	Profit and loss account	Total Equity
	£	£	£
Balance as at 1 January 2017	**10,000**	**96,066**	**106,066**
Total comprehensive income for the year			
Profit	-	38,967	**38,967**
Total comprehensive income for the year	-	38,967	**38,967**
Transactions with owners, recorded directly in equity			
Dividends	-	(50,000)	**(50,000)**
Balance as at 31 December 2017	**10,000**	**85,033**	**95,033**
Balance as at 1 January 2018	**10,000**	**85,033**	**95,033**
Total comprehensive income for the year			
Profit	-	43,255	**43,255**
Total comprehensive income for the year	-	43,255	**43,255**
Transactions with owners, recorded directly in equity			
Dividends	-	-	-
Balance as at 31 December 2018	**10,000**	**128,288**	**138,288**

The notes forming part of these financial statements are set out on pages 10 to 16.

Cash Flow Statement

for the year ended 31 December 2018

	Note	**2018**	**2017**
		£	**£**
Cash flows from operating activities			
Profit for the year		43,255	38,967
Adjustments for:			
Interest receivable and similar income		(9,568,601)	(8,863,759)
Interest payable and similar charges		9,459,226	8,761,874
Taxation		29,823	9,292
		(36,297)	(53,626)
(Increase)/decrease in trade and other debtors		-	198
Increase/(decrease) in trade and other creditors		(1,791,026)	1,488,409
		(1,827,323)	1,434,981
Tax paid		(25,228)	(10,659)
Net cash from operating activities		**(1,852,551)**	**1,424,322**
Cash flows from investing activities			
Interest received		5,449,691	7,035,369
Proceeds from receipt of loan stock		93,902	2,422,828
Net cash from investing activities		**5,543,593**	**9,458,197**
Cash flows from financing activities			
Interest paid		(5,385,632)	(6,947,754)
Dividends paid		-	(50,000)
Repayment of borrowings		(93,902)	(2,422,828)
Net cash from financing activities		**(5,479,534)**	**(9,420,582)**
Net (decrease)/increase in cash and cash equivalents		(1,788,492)	1,461,937
Cash and cash equivalents at 1 January		2,701,421	1,239,484
Cash and cash equivalents at 31 December		**912,929**	**2,701,421**

Notes

(forming part of the financial statements)

1. Accounting

Civis PFI/PPP Infrastructure Finance Limited (the "Company") is a company limited by shares and incorporated and domiciled in Jersey.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in December 2017. The presentation currency of these financial statements is sterling.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The directors are of the opinion that there are no judgements made in the application of these accounting policies that have significant effect on the financial statements.

1.1 *Measurement*

The financial statements are prepared on the historical cost basis.

1.2 *Going concern*

The directors have assessed the forecasts and projections for the Company which, taking in to account reasonably possible changes in performance, show that the Company should be able to operate within the level of its current facilities. The Company has adequate financial resources, together with long term contracts with various public sector customers and suppliers across a range of infrastructure projects. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the Company has adequate financial resources to continue to be able to meet its financial liabilities as they fall due and to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing these financial statements.

1.3 *Classification of*

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.4 *Basic financial*

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Notes *(continued)*

1. Accounting policies (continued)

1.4 *Basic financial instruments (continued)*

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.5 *Impairment*

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.6 *Expenses*

Interest receivable and Interest payable

Interest payable and similar charges include interest and indexation payable on borrowings.

Other interest receivable and similar income include interest and indexation receivable on loan stock due from Consolidated Investments Holdings Limited, Civis PFI/PPP Infrastructure Manchester Holdings Limited, Civis PFI/PPP Infrastructure Sheffield Holdings Limited, Civis PFI/PPP Infrastructure STW Holdings Ltd, Birmingham Schools PSP Phase 1a Limited and Birmingham Schools PSP Phase 1b Limited.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

1.7 *Taxation*

The company is UK tax resident.

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

1.8 Directors' remuneration and employees

The directors did not receive any emoluments in respect of their services to the company. The company did not employ any staff during the year (2017: none).

Notes to the financial statements *(continued)*

1.9 Auditors remuneration

Auditors remuneration in respect of audit and other fees were paid by Civis PFI/PPP Infrastructure Fund LP, the immediate parent undertaking.

	2018	2017
2. Other interest receivable and similar income	**£**	**£**
Loan stock interest receivable from Consolidated Investment Holdings Ltd	2,484,107	2,664,107
Loan stock interest receivable from Civis PFI/PPP Infrastructure Manchester Holdings Ltd	2,625,243	2,295,847
Loan stock interest receivable from Civis PFI/PPP Infrastructure Sheffield Holdings Ltd	1,132,140	1,080,974
Loan stock interest receivable from Civis PFI/PPP Infrastructure STW Holdings Ltd	1,474,565	1,486,972
Loan stock interest receivable from Birmingham Schools PSP Phase 1a Ltd	339,466	346,209
Loan stock interest receivable from Birmingham Schools PSP Phase 1b Ltd	244,912	256,611
Indexation on Loan stock receivable from Civis PFI/PPP Infrastructure Manchester Holdings Ltd	871,229	513,374
Indexation on Loan stock receivable from Civis PFI/PPP Infrastructure Sheffield Holdings Ltd	396,939	219,665
	9,568,601	**8,863,759**

3. Interest payable and similar charges

Indexation on Eurobond payable to Civis PFI/PPP Infrastructure Fund LP	1,266,158	732,302
Eurobond interest payable to Civis PFI/PPP Infrastructure Fund LP	8,193,068	8,029,572
	9,459,226	**8,761,874**

4. Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

UK corporation tax		
Current tax on income for the period	13,885	9,290
Adjustments in respect of prior years	15,938	2
Total tax charge	29,823	9,292
Tax at standard rate of 19% (2017: 19.25%)	13,885	9,290
Effects on actual tax charge for the year:		
Adjustments in respect of prior years	15,938	2
Total tax charge (see above)	29,823	9,292

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015. A further reduction to 17% from 1 April 2020 was substantially enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

Notes to the financial statements *(continued)*

5. Debtors

	2018 £	2017 £
Interest receivable from Civis PFI/PPP Infrastructure Manchester Holdings Ltd	709,816	4,523,507
Interest receivable from Civis PFI/PPP Infrastructure Sheffield Holdings Ltd	485,342	460,855
Interest receivable from Civis PFI/PPP Infrastructure STW Holdings Ltd	371,671	371,671
Interest receivable from Birmingham Schools PSP Phase 1a Ltd	83,916	85,879
Interest receivable from Birmingham Schools PSP Phase 1b Ltd	61,837	61,407
Loan stock due from Consolidated Investment Holdings Ltd	27,601,186	27,601,186
Loan stock due from Civis PFI/PPP Infrastructure Manchester Holdings Ltd	25,083,060	17,772,898
Loan stock due from Civis PFI/PPP Infrastructure Sheffield Holdings Ltd	10,831,270	10,231,787
Loan stock due from Civis PFI/PPP Infrastructure STW Holdings Ltd	11,565,214	11,565,214
Loan stock due from Birmingham Schools PSP Phase 1a Ltd	3,051,491	3,122,880
Loan stock due from Birmingham Schools PSP Phase 1b Ltd	1,925,103	1,947,617
Other debtors	-	-
	81,769,906	77,744,901
Due within one year	1,712,582	5,503,319
Due after more than one year	80,057,324	72,241,582
	81,769,906	77,744,901

The loan stock relating to Consolidated Investment Holdings Limited carries an interest rate of 9%. The loan stock falls due for redemption in 2040.

The loan stock relating to Civis PFI/PPP Infrastructure Manchester Holdings Limited carries an interest rate of 11% with interest and principal being adjusted for indexation. The loan stock falls due for redemption in 2042.

The loan stock relating to Civis PFI/PPP Infrastructure Sheffield Holdings Limited carries an interest rate of 10.5% with interest and principal being adjusted for indexation. The loan stock falls due for redemption in 2046.

The loan stock relating to Civis PFI/PPP STW Holdings Limited carries an interest rate of 12.75%. The loan stock falls due for redemption in 2031.

The loan stock relating to Birmingham Schools PSP Phase 1a Limited carries an interest rate of 11% The loan stock falls due for redemption in 2036.

The loan stock relating to Birmingham Schools PSP Phase 1b Limited carries an interest rate of 12.51%. The loan stock falls due for redemption in 2038.

6. Creditors: amounts falling due within one year

	2018 £	2017 £
Loan stock interest payable to Civis PFI/PPP Infrastructure Fund LP	1,691,463	5,437,867
Amounts payable to Civis PFI/PPP Infrastructure Fund LP	881,349	2,666,375
Accruals	-	6,000
Corporation tax payable	13,882	9,290
	2,586,694	8,119,532

Notes to the financial statements *(continued)*

	2018	2017
	£	£
7. Creditors falling due more than one year (continued)		
Eurobond issued to Civis PFI/PPP Infrastructure Fund LP relating to Consolidated Investment Holdings Ltd	27,601,186	27,601,185
Eurobond issued to Civis PFI/PPP Infrastructure Fund LP relating to Civis PFI/PPP Infrastructure Manchester Holdings Ltd	25,000,073	17,772,898
Eurobond issued to Civis PFI/PPP Infrastructure Fund LP relating to Civis PFI/PPP Infrastructure Sheffield Holdings Ltd	10,828,859	10,231,787
Eurobond issued to Civis PFI/PPP Infrastructure Fund LP relating to Civis PFI PPP Infrastructure STW Holdings Ltd	11,551,141	11,555,390
Eurobond issued to Civis PFI/PPP Infrastructure Fund LP relating to Birmingham Schools PSP Phase 1a Ltd	3,051,491	3,122,880
Eurobond issued to Civis PFI/PPP Infrastructure Fund LP relating to Birmingham Schools PSP Phase 1b Ltd	1,925,103	1,947,617
Eurobond due to Civis PFI/PPP Infrastructure Fund LP	79,957,853	72,231,757

8. Interest-bearing loan stocks and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loan stocks and borrowings, which are measured at amortised cost.

Creditors falling due after more than one year

Loan stock due to Civis PFI/PPP Infrastructure Fund LP	79,957,853	72,231,757

Terms and debt repayment schedule

	Currency	Nominal Interest Rate	Year of Maturity	Repayment Schedule	2018	2017
Civis PFI/PPP Infrastructure Fund LP	GBP	8.875% - 10.875%	2036 - 2046	No fixed term, redeemable by 2036 - 2046	79,957,853	72,231,757

The Eurobond component relating to Consolidated Investment Holdings Limited carries an interest rate of 8.875%. The Eurobond falls due for redemption in 2040.

The Eurobond component relating to Civis PFI/PPP Infrastructure Manchester Holdings Limited carries an interest rate of 10.875% with interest and principal being adjusted for indexation. The Eurobond falls due for redemption in 2042.

The Eurobond component relating to Civis PFI/PPP Infrastructure Sheffield Holdings Limited carries an interest rate of 10.375% with interest and principal being adjusted for indexation. The Eurobond falls due for redemption in 2046.

The Eurobond component relating to Civis PFI/PPP STW Holdings Limited carries an interest rate of 12.625%. The Eurobond falls due for redemption in 2031.

The Eurobond component relating to Birmingham Schools PSP Phase 1a Limited carries an interest rate of 10.875%. The Eurobond falls due for redemption in 2036.

The Eurobond component relating to Birmingham Schools PSP Phase 1b Limited carries an interest rate of 9.689%. The Eurobond falls due for redemption in 2038.

Notes to the financial statements *(continued)*

9. Capital and reserves

	2018	2017
Called up share capital	£	£
Allotted, called up and fully paid		
Equity: Ordinary shares of £1 each	10,000	10,000

There were 10,000 (2017: 10,000) ordinary shares in issue at the beginning and end of the year.

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. Related parties

The details of the related party transactions are detailed as follows:

Related Party	Relationship	Class of transaction	2018 Income/ (expenditure) £	2017 Income/ (expenditure) £	2018 Debtor/ (creditor) £	2017 Debtor/ (creditor) £
Civis PFI/PPP Infrastructure Manchester Holdings	Sister company	Loan stock	-	-	25,083,060	17,772,898
Civis PFI/PPP Infrastructure Manchester Holdings Ltd	Sister company	Interest received	3,496,472	2,809,221	709,816	4,523,507
Civis PFI/PPP Infrastructure Sheffield Holdings Ltd	Sister company	Loan stock	-	-	10,831,270	10,231,787
Civis PFI/PPP Infrastructure Sheffield Holdings Ltd	Sister company	Interest received	1,529,079	1,300,639	485,342	460,855
Civis PFI/PPP Infrastructure STW Holdings Ltd	Sister company	Loan stock	-	-	11,565,214	11,565,214
Civis PFI/PPP Infrastructure STW Holdings Ltd	Sister company	Interest received	1,474,565	1,486,972	371,671	371,671
Consolidated Investment Holdings Ltd	Other related party	Loan stock	-	-	27,601,186	27,601,186
Consolidated Investment Holdings Ltd	Other related party	Interest received	2,484,107	2,664,107	-	-
Birmingham Schools PSP Phase 1a Ltd	Other related party	Loan stock	-	-	3,051,491	3,122,880
Birmingham Schools PSP Phase 1a Ltd	Other related party	Interest received	339,466	346,209	83,916	85,879
Birmingham Schools PSP Phase 1b Ltd	Other related party	Loan stock	-	-	1,925,103	1,947,617
Birmingham Schools PSP Phase 1b Ltd	Other related party	Interest received	244,912	256,611	61,837	61,407
Civis PFI/PPP Infrastructure Fund LP	Parent company	Interest paid	(9,459,226)	(8,761,874)	(82,530,665)	(80,335,999)

Notes to the financial statements *(continued)*

11. Ultimate parent company and parent company of larger group

The company is a wholly owned subsidiary undertaking of Civis PFI/PPP Infrastructure Fund LP, which is registered in England and Wales.

12. Carrying amount of financial instruments

	2018	2017
The carrying amounts of the financial assets and liabilities include:	£	£
Debtors held at amortised cost	81,769,906	77,744,901
Creditors held at amortised cost	(82,544,547)	(80,351,289)
Cash and cash equivalents	912,929	2,701,421