

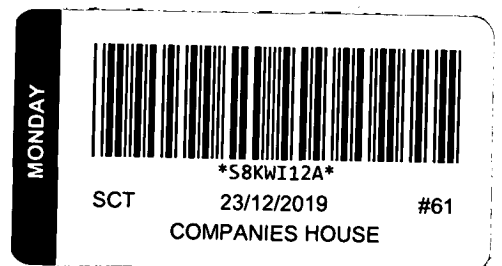
Company Registration No. 11267458 (England and Wales)

PPDI ASSETCO 2 LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION ON 21 MARCH 2018 TO 31
MARCH 2019

COMPANIES HOUSE
EDINBURGH

23 DEC 2019

FRONT DESK



PPDI ASSETCO 2 LIMITED

COMPANY INFORMATION

Directors	J McDonagh A Ray	(Appointed 21 March 2018) (Appointed 21 March 2018)
Secretaries	J McKay Pinsent Masons Secretarial Limited	
Company number	11267458	
Registered office	1 Park Row Leeds United Kingdom LS1 5AB	
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Atria One 144 Morrison Street Edinburgh EH3 8EX	

PPDI ASSETCO 2 LIMITED

CONTENTS

	Page(s)
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditors' report	4 - 6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10 - 18

PPDI ASSETCO 2 LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MARCH 2019

The directors present their annual report and audited financial statements for the period ended 31 March 2019.

On incorporation, PPDI Assetco 2 Limited ("the Company") issued two ordinary shares at a par value of £1.00 each.

Principal activities

The principal activity of the Company is to act as a holding company.

On 31 March 2018, The Company acquired its investments in Kent EHFA Holdco Limited, Northumberland Energy Recovery Limited, WODS Transmission Topco Limited, SRM Roads Holdco Limited and Dalmore Highway Investment Holdings Limited from PPDI Assetco Limited.

On 15 March 2019, the Company acquired its capital and loan commitments in Civis PFI/PPP Infrastructure Fund LP from PPDI Assetco Limited

These investments were funded by the issue of unsecured loan stock to PPP Equity PIP LP, the Company's ultimate controlling party.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

J McDonagh	(Appointed 21 March 2018)
A Ray	(Appointed 21 March 2018)
M Ryan	(Appointed 21 March 2018 and resigned 31 August 2018)

Results and dividends

The results for the period are set out on page 7.

The loss for the financial period will be transferred to reserves.

The directors are satisfied with the overall performance of the Company and do not foresee any significant change in the Company's activities in the coming financial year.

Qualifying third party indemnity provisions

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.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, were appointed during the year and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditors are aware of that information.

PPDI ASSETCO 2 LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

Going concern

The board has prepared detailed financial forecasts and cash flows looking over 12 months ahead from the date the financial statements are signed. In drawing up these forecasts, the board has made assumptions based upon its view of the current and future economic condition that will prevail over the forecast period.

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, indicate that the Company should be able to operate within the level of its current resources. The Company's going concern is dependent on the performance of its investments held by its subsidiaries, associates and joint ventures. After reviewing the performance of these investments, which is done on a regular basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, despite any economic uncertainties. In forming this conclusion, it has been taken into consideration that all committed investments of the Company and its subsidiary are covered by commitments from the partners of PPP Equity PIP LP ("the Fund").

In light of this, the directors continue to adopt the going concern basis of accounting in preparing the financial statements. As the Company has net liabilities as at 31 March 2019, Dalmore Capital 6 GP Limited has provided a letter of support to the company in its capacity as general partner of the Fund. This letter states that PPP Equity PIP LP will not discontinue providing support in the 12 month period from signing of the financial statements.

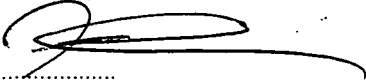
Key performance indicators

In its role as a holding company there are no key performance indicators for the directors to monitor. However, from a group point of view the performance of its investments are assessed every six months by testing the cash resources against the bank lending covenants. The key indicator being the debt service cover ratio. The investments are performing well and have been compliant with the covenants laid out in each of the relevant loan agreements.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



.....
J McDonagh

Director

Date: 23/12/19

PPDI ASSETCO 2 LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 31 MARCH 2019

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

PPDI ASSETCO 2 LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF PPDI ASSETCO 2 LIMITED

Opinion

In our opinion, PPDI Assetco 2 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the 375 day period then ended;
- have been properly prepared 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); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 March 2019; the statement of comprehensive income, the statement of changes in equity for the 375 day period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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.

We have nothing to report in respect of the above matters.

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 company'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, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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

PPDI ASSETCO 2 LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBER OF PPDI ASSETCO 2 LIMITED

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

PPDI ASSETCO 2 LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBER OF PPDI ASSETCO 2 LIMITED

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Mark Hoskyns Abrahall (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
Edinburgh

23 December 2019

PPDI ASSETCO 2 LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2019**

	Notes	Period ended 31 March 2019 £
Interest receivable and similar income	5	12,366,878
Interest payable and similar expenses	6	(17,220,350)
Loss before taxation		<u>(4,853,472)</u>
Tax on loss	7	-
Loss for the financial period		<u><u>(4,853,472)</u></u>

PPDI ASSETCO 2 LIMITED

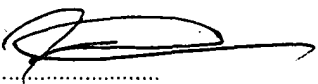
STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

	Notes	2019	
		£	£
Fixed assets			
Investments	8		204,754,084
Current assets			
Debtors: amounts falling due within one year	12	3,115,231	
Creditors: amounts falling due within one year	13	(751,449)	
Net current assets			<u>2,363,782</u>
Total assets less current liabilities			<u>207,117,866</u>
Creditors: amounts falling due after more than one year	14		(211,971,336)
Net liabilities			<u><u>(4,853,470)</u></u>
Capital and reserves			
Called up share capital	15		2
Accumulated losses			<u>(4,853,472)</u>
Total shareholders' deficit			<u><u>(4,853,470)</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 23/12/19 and are signed on its behalf by:


.....
J McDonagh
Director

Company Registration No. 11267458

PPDI ASSETCO 2 LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2019

		Called up share capital	Accumulated losses	Total equity
	Note	£	£	£
Period ended 31 March 2019:				
Loss and total comprehensive expense for the period		-	(4,853,472)	(4,853,472)
Issue of share capital	15	2	-	2
		<u>2</u>	<u>(4,853,472)</u>	<u>(4,853,470)</u>

PPDI ASSETCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

1 Accounting policies

Company information

PPDI Assetco 2 Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Park Row, Leeds, United Kingdom, LS1 5AB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity, and not about its group.

1.2 Going concern

The Company has net liabilities as at 31 March 2019. Further details with regards to going concern are provided within the Directors' Report.

1.3 Investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Company holds a long-term interest and where the company has significant influence. The Company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the Company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

PPDI ASSETCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

1. Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

PPDI ASSETCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.7 Cash flow

The Company has taken the available exemption from the requirement to draw up a cash flow statement in accordance with paragraph 1.12b of FRS102.

2 Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Valuation of investments

The directors are required to annually review the Company's investments for indicators that they have been impaired. This requires them to revalue the underlying assets that the Company and its subsidiaries and associates are invested in. The valuation method is based on a discounted cash flow model, so the directors are required to make judgements about the most appropriate discount rate, growth rate and the future financial performance of each of the underlying assets. The directors will also consider other factors such as the non-financial performance of the various assets.

PPDI ASSETCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

3 Staff costs and directors' remuneration

The Company had no employees during the financial period,

The directors did not receive any remuneration in respect of their services to the Company during the period to 31 March 2019.

4 Auditors' remuneration

Audit fees of £3,500 for the period ended 31 March 2019 were paid to the Company's auditors and were borne by PPP Equity PIP LP.

5 Interest receivable and similar income

2019

£

Interest receivable and similar income includes the following:

Income from shares in group undertakings	609,424
Interest receivable from participating interests	3,090,324
Interest receivable from other fixed asset investments	4,812,432
Interest receivable from group companies	3,854,698

12,366,878

6 Interest payable and similar expenses

2019

£

Interest payable and similar expenses includes the following:

Interest payable to group undertakings	17,220,350
--	------------

Interest payable relates entirely to interest incurred on unsecured loan stock 2039 issued to PPP Equity PIP LP, the Company's ultimate controlling party.

PPDI ASSETCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

7 Tax on loss

The actual charge for the period can be reconciled to the expected credit for the period based on the profit or loss and the standard rate of tax as follows:

	2019 £
Loss before taxation	(4,853,472)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00%	(922,160)
Tax effect of income not taxable in determining taxable profit	(115,791)
Unutilised tax losses carried forward	1,037,951
Taxation charge for the period	-

The Company has estimated losses of £5,462,895 available for carry forward against future trading profits. These have not been recognised, as future income is not predictable enough to ensure their recovery.

8 Investments

	2019 £
Equity investments	48,467,009
Loan investments	156,287,075
	204,754,084

PPDI ASSETCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

8 Investments

(Continued)

On 31 March 2018, the Company acquired investments in Kent EHFA Holdco Limited, Northumberland Energy Recovery Limited, WODS Transmission Topco Limited and Dalmore Highway Investment Holdings Limited from PPDI Assetco Limited. In addition, on the same date, the Company acquired its loan investment in Sir Robert McAlpine Road Holdings Limited from PPDI Finance Limited.

On 15 March 2019, the Company acquired capital and loan commitments in Civis PFI/PPP Infrastructure Fund LP from PPDI Assetco Limited.

The company makes loans to its subsidiaries and associates in order for them to make investments. These loan investments have maturity dates ranging from 2027 to 2040 and receive interest at varying rates between 6.50% and 11.85%. As at the 31 March 2019 the company had made the following loans:

Northumberland Energy Recovery Holdings Limited £2,259,613. Interest is charged at a rate of 11.00% and these loans are due for repayment in 2033.

WODS Transmission Topco Limited £22,760,162. Interest is charged at a rate of 8.31% and these loans are due for repayment in 2034.

Kent EHFA Limited £4,583,000. Interest is charged at a rate of 11.75% and these loans are due for repayment by 30 September 2040.

Dalmore Highway Investment Holdings Limited, £42,871,098. Interest is charged at rates varying between 6.50% and 11.85% and these loans are due for repayment between 2034 and 2037.

Sir Robert McAlpine Road Holdings Limited, £67,526,443. Interest is charged at a rate of 4.00% plus RPI. These loans are due for repayment in 2027.

Movements in investments

	Shares in group undertakings and participating interests £	Loans to group undertakings and participating interests £	Other investments £	Total £
Cost or valuation				
At 21 March 2018	-	-	-	-
Additions	48,467,009	88,525,502	70,303,053	207,295,564
Repayments	-	(370,313)	(2,776,610)	(3,146,923)
Capitalised interest	-	605,443	-	605,443
At 31 March 2019	48,467,009	88,760,632	67,526,443	204,754,084
Carrying amount				
At 31 March 2019	48,467,009	88,760,632	67,526,443	204,754,084

PPDI ASSETCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

9 Subsidiaries

Details of the company's subsidiaries at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Dalmore Highway Investment Holdings Limited	1 Park Row, Leeds, LS1 5AB, United Kingdom	Holding company	Ordinary shares	100.00	
Kent EHFA Holdco Limited	Cowley Business Park, Cowley, Uxbridge, Middlesex, UBB8 2AL, United Kingdom	Holding company	A & B ordinary shares	100.00	

10 Associates

Details of the company's associates at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Northumberland Energy Recovery Holdings Limited	Suez House, Grenfell Road, Maidenhead, Berkshire, SL6 1ES, United Kingdom	Holding company	Ordinary shares	28.75	

11 Joint ventures

Details of the company's joint ventures at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
WODS Transmission Holdco Limited	Cannon Place, 78 Cannon Street, London, EC4N 6AF	Holding company	Ordinary shares	50.00	

PPDI ASSETCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

12 Debtors: amounts falling due within one year:

	2019 £
Amounts owed by group undertakings	2
Accrued interest	3,115,229
	<u>3,115,231</u>

Amounts owed by group undertakings are interest free, unsecured and are repayable on demand.

~~13 Creditors: amounts falling due within one year:~~

	2019 £
Amounts owed to ultimate controlling party	<u>751,449</u>

Amounts owed to ultimate controlling party bear interest at 9%, are unsecured and are repayable on demand.

14 Creditors: amounts falling due after more than one year

	2019 £
Loans issued to ultimate controlling party	<u>211,971,336</u>

The loans issued to the ultimate controlling party bears interest at 9%, are unsecured and are repayable in full by 31 March 2039.

15 Called up share capital

	2019 £
Ordinary share capital Issued and fully paid	
2 Ordinary shares of £1 each	2
	<u>2</u>

On incorporation, the Company issued two ordinary shares at a par value of £1.00 each.

PPDI ASSETCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

16 Related party transactions

The Company has taken advantage of the exemption contained in section 33 of FRS 102, not to disclose transactions or balances with entities which are 100% owned by the group.

During the year, the Company received interest of £263,953 from Northumberland Energy Recovery Holdings Limited), a company in which it had a 28.75% shareholding. As at 31 March 2019, interest of £131,823 was receivable from Northumberland Energy Recovery Holdings Limited.

During the year, the Company received interest of £2,143,284 from WODS Transmission Topco Limited, a company in which it had a 50% shareholding. As at 31 March 2019, interest of £466,365 was receivable from WODS Transmission Topco Limited.

During the year the Company received interest of £4,812,432 from SRM Roads Holdings Limited, a company in which it owns 50% of the unsecured loan stock. As at 31 March 2019, interest of £750,689 was receivable from SRM Roads Holdings Limited.

Details of the loans relating to the above companies are set out in note 8.

17 Parent company

The immediate parent entity is PPDI Holdings Limited, a company incorporated in the United Kingdom and registered in England and Wales..

The ultimate controlling party is PPP Equity PIP LP, a limited partnership registered in England. Copies of the financial statements of PPP Equity PIP LP are available from the General Partner c/o Dalmore Capital Limited, 2nd Floor, Caledonian Exchange, 19A Canning Street, Edinburgh EH3 8EG.

18 Related undertakings

In addition to the entities disclosed in notes 9 to 11, the Company has the following related undertakings all of which are incorporated in the United Kingdom. Unless otherwise stated, all of the holdings that the Company has in each of the entities are indirect - these are stated in brackets after each company name.

Entities which have their registered address at Cannon Place, 78 Cannon Street, London EC4N 6AF:

- WODS Transmission Holdco Limited (50.00%)
- WODS Transmission PLC (50.00%)

Entities which have their registered address at Cowley Business Park, Cowley, Uxbridge, Middlesex, UB8 2AL:

- Kent EHFA Projectco Limited (50.00%)

Entities which have their registered address at 1 Park Row, Leeds, LS1 5AB:

- Civis PFI/PPP Infrastructure Investor LP (10.00%)