Registration number: 11963946

Olive Storage Midco Ltd

Consolidated Financial Statements for the period from 25 April 2019 (date of incorporation) to 31 December 2019

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Corporate Information

Registered Address	Bow Bells House 1 Bread Street, London, EC4M 9HH U.K. (from 25 April 2019 to 19 November 2020) Two London Bridge London, SE1 9RA U.K. (from 20 November 2020)
Principal Place of Business	Bow Bells House 1 Bread Street, London, EC4M 9HH U.K. (from 25 April 2019 to 19 November 2020) Two London Bridge London, SE1 9RA U.K. (from 20 November 2020)
Shareholder	Olive Storage Holdings Ltd Bow Bells House, 1 Bread Street, London, EC4M 9HH U.K.
Legal Advisors	Clifford Chance LLP 10 Upper Bank Street, London, E14 5JJ U.K.
Tax Advisors	Deloitte LLP 2 New Street Square, London, EC4A 3BZ U.K.
Independent Auditor	Ernst & Young LLP 1 More London Place, London, SE1 2AF U.K.
Administrator	IQ EQ Administration Services (UK) Ltd Two London Bridge, London, SE1 9RA U.K.

Directors' Report

The Directors present the audited consolidated financial statements for Olive Storage Midco Ltd ("the Group") and the audited parent company financial statements ("the Company") for the period from 25 April 2019 (date of incorporation) to 31 December 2019.

The Company was incorporated in England and Wales on 25 April 2019.

Dividend

No dividends were declared during the period ended 31 December 2019.

Directors

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

Mr D J Helmsley
Mr J M Kearney
Mr A S Anderson (appointed on 23 September 2020)

The Group incurred no Directors' fees and remuneration in respect of services provided by the above Directors during the period. The ultimate parent of the Company is SL Capital Infrastructure I LP and the General Partner and Investment Manager of the ultimate parent is Standard Life Aberdeen plc. The Directors of the Company are employees of Standard Life Aberdeen plc. Their role as employees includes providing directorship services to various legal entities within the Standard Life Aberdeen plc group and related entities, as well as fulfilling a number of other duties. The Directors do not believe that it is practicable to disclose the remuneration amount for their services as Directors of the Company.

Results, activities and future developments

The results for the period are set out in the Consolidated Statement of Comprehensive Income on page 12. The principal activity of the Group during the period was the storage and distribution of bulk liquids. The Company was incorporated on 25 April 2019 with the purpose of holding an investment for its Shareholder.

The Company benefits from a potential development opportunity, comprising 15 hectares of surplus land able to accommodate additional tank capacity. The business is currently exploring the potential, attractive options that this brings.

The separate notes to the consolidated financial statements contains detailed analysis of the Group's Investment and the risks associated with future developments or other events that affect the entire market.

Events after the reporting date

There were no events that occurred between the end of the reporting period and the date when the consolidated financial statements were authorised for issue that affect the accounts as at 31 December 2019 other than; the outbreak of the Novel Coronavirus ("COVID-19") in 2020 has resulted in significant loss of life, adversely impacted global commercial activity and contributed to significant volatility in certain equity and debt markets. The global impact of the outbreak continues to evolve following the World Health Organization's declaration of a pandemic. Many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity and are having a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries. The impact of COVID-19 has led to significant volatility and declines in the global public equity markets and it is uncertain how long this volatility will continue. As COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession are increasingly uncertain and difficult to assess.

The Directors, as part of the group, are utilising business continuity and resilience processes with the objective of mitigating the impact of COVID-19. The Group could choose not to repatriate excess cashflow up the holding structure to SL Capital Infrastructure I LP if liquidity was low, this is the main reason why the cash balance would otherwise decline over time. The Directors consider the emergence of the COVID-19 Coronavirus pandemic to be a non-adjusting post balance sheet event. Further details can be found in note 27 to the consolidated financial statements.

Directors' Report (continued)

Disclosure of information to auditor

At the date of this report, the Directors confirm that:

- As far as the Directors are aware, there is no relevant information of which the Group's auditor is unaware; and
- The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Data protection

The Group has implemented measures that it believes are necessary in order to comply with the General Data Protection Regulation.

Strategic report

The Group is considered as "small" under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and is therefore exempt from preparing a strategic report.

D J Helmsley
Director
20 November 2020

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare consolidated financial statements for each financial period. Under that law the Directors have elected to prepare the consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU") and applicable law.

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Partners of Consolidated Financial Statements of Olive Storage Midco Ltd

Opinion

In our opinion:

- Olive Storage Midco Ltd's consolidated financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2019 and of the Group's loss for the year then ended;

- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;

- the parent company financial statements been properly prepared in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2006; and

- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006, and, as regards the Group financial statements, Article 4 of the IAS Regulation.

We have audited the financial statements of Olive Storage Midco Ltd which comprise:

Group	**Parent company**
Consolidated Statement of Financial Position as at 31 December 2019	Company Statement of Financial Position as at 31 December 2019
Consolidated Statement of Comprehensive Income for the year then ended	Company Statement of Changes in Equity for the year then ended
Consolidated Statement of Changes in Equity for the year then ended	Company Statement of Cash Flows for the year then ended
Consolidated Statement of Cash Flows for the year then ended	Related notes 1, 2, 7, 8, 13, 14, 15, 18, 20, 22, 24, 25, 26 and 27 to the financial statements including a summary of significant accounting policies
Related notes 1 to 27 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 and; as regards to the parent company financial statements, as applied in accordance with the provisions 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 below. We are independent of the group and parent 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 as applied to listed public interest entities, 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.

Independent Auditor's Report to the Partners of Consolidated Financial Statements of Olive Storage Midco Ltd (continued)

Emphasis of matter

We draw attention to Note 2.4 and Note 27 of the financial statements, which describe the financial and operational consequences that the Group and Parent Company are facing as a result of COVID-19 which is impacting supply chains, consumer demand, financial markets, personnel available for work and being able to access offices. Our opinion is not modified in respect of this matter.

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 group's or the parent 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.

Overview of our audit approach

Key audit matters	• The risk of inappropriate recognition and measurement of the identifiable assets, assumed liabilities and goodwill from the acquisition of Oikos Storage Ltd • The risk of impairment of goodwill • Estimation of environmental provision • Revenue recognition: the risk of management override of controls
Audit scope	• We performed an audit of the complete financial information for Olive Storage Midco Ltd and its subsidiaries. • All audit work was performed directly by the audit engagement team.
Materiality	• Overall group materiality of £1,912,135 which represents 1% of the Group's total assets. • Overall parent company to be £1,109,871, which represents 1% of parent company's total assets.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our 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) that we identified. These matters included 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report to the Partners of Consolidated Financial Statements of Olive Storage Midco Ltd (continued)

Key audit matters (continued)

Risk	Our response to the risk	Key observations communicated to the Board of Directors
The risk of inappropriate recognition and measurement of the identifiable assets, assumed liabilities and goodwill from the acquisition of Oikos Storage Ltd *Refer to the Accounting policies (page 28); and note 4 of the financial statements (page 32)* On 29 May 2019, the Group completed the acquisition of a 100% ownership interest in Oikos Storage Limited ("Oikos") for a total cash consideration amounting to £151.9 million. The acquisition was accounted for under the acquisition method. Management engaged an external valuation specialist to assist in the purchase price allocation (PPA) which was finalised before the consolidated financial statements were authorised. Following the PPA exercise, the Group recognised identifiable intangible assets valued at £12.8 million and fixed assets amounting to £129.1 million, with net identifiable assets being £129.9 million. As a result, goodwill amounting to £22.0 million has been recognised in the financial statements. The PPA exercise required significant judgement and estimation, particularly in: • the valuation of the identified customer-related intangible assets which is highly sensitive to underlying assumptions (such as revenue and operating costs) around future cash flows, length of the contracts and discount rates. • valuation of fixed assets which has several key valuation inputs to be considered, such as replacement costs, normal useful life and depreciation profiles.	In addressing the risk of inappropriate recognition and measurement of the identifiable assets, assumed liabilities and goodwill, we have: • inspected the enacted acquisition agreement to obtain an understanding of the key terms of the transaction and assessed the appropriateness of accounting for the transaction as a business combination under IFRS 3, *Business combinations;* • assessed the completeness of identified assets acquired and liabilities assumed from the acquiree by: - confirming all assets and liabilities in the acquiree's balance sheet as of date of acquisition are taken up; and - considering whether there are identifiable intangible assets acquired or contingent liabilities assumed that were not previously recognised as assets or liabilities by the acquiree but meet the criteria for recognition under IFRS 3; • evaluated the scope of work, competence, capabilities and objectivity of the specialist engaged by management to prepare the PPA; • involved our internal specialists to assist us in reviewing the valuation methodologies and certain key assumptions (as below) used by management and management's specialist in the valuation of the intangible assets and fixed assets. • with assistance from our internal valuation specialists, assessed each key assumption used in the valuation of intangible and fixed assets: - Length of contracted volume: internal specialists have considered the reasonableness of the length of contract used based on technological and environmental changes that could occur in the sector; - Discount rates: internal specialists have performed an independent calculation of an appropriate discount rate to compare to that used by management; and - benchmarked assumptions around replacement costs, useful lives and depreciation profiles against comparable assets in the industry. • tested future cash flow assumptions (such as revenue and operating costs) used in the valuation of intangible assets, through comparison to customer contracts, approved budgets and business plans; • tested the integrity of models with the assistance of our own specialists; and • assessed the completeness and appropriateness of disclosures related to the business combination in note 4 to the consolidated financial statements.	We concluded that management's accounting for the acquisition of Oikos and the related disclosures within the financial statements fulfilled the requirements of the applicable accounting standards.

Independent Auditor's Report to the Partners of Consolidated Financial Statements of Olive Storage Midco Ltd (continued)

Key audit matters (continued)

The risk of impairment of goodwill *Refer to the Accounting policies (page 25 - 26); and Note 10 of the financial statements (page 36)* At 31 December 2019, the carrying value of goodwill was £22.0 million. The carrying value of goodwill should be assessed for impairment each year, regardless of whether there is any indication that it may be impaired. The calculation of the recoverable amount of goodwill requires judgment and estimation around key assumptions, including inputs (such as revenue, operating costs and capital expenditures) used in future cash flow forecasts, discount rates, terminal values, cost of disposal, inflation and the retail price index used within the valuation model.	In addressing the risk of impairment of goodwill, we have: • assessed whether management's determination of the carrying value is appropriate; • assessed the consistency of the valuation methodology applied with IAS 36: *Impairment of assets*; • tested the integrity of models with the assistance of our own specialists; • utilised our valuation specialists to evaluate management's methodology to estimate recoverable amount and to test the appropriateness of certain key assumptions. Specifically, our specialist performed independent estimates of an appropriate discount rate and terminal value to assess the assumptions used by management. • benchmarked the cost of disposal used by management to the costs of comparable transactions; • tested inputs (such as revenue, operating costs and capital expenditure) used in forecast cash flows through comparison to customer contracts, approved budgets, business plans and other evidence of management's future intentions. • compared the inflation and retail price index used to external market data; • performed sensitivity analysis in order to assess the potential impact of a range of reasonably possible outcomes, including adjustments to the discount rate; and • evaluated the appropriateness of the financial statement disclosures.	In our view the Group's forecast revenue, costs, terminal value, cost of disposal and other assumptions are appropriate and within reasonable ranges. We do not consider the discount rate used by management to be within our reasonable range. However, we remain satisfied that there is no impairment having performed sensitivity analysis using an amount within our acceptable range. We conclude that the that the carrying value of goodwill is not impaired and that the related disclosures provided in the Group's financial statements are appropriate.
Estimation of environmental provision *Refer to the Accounting policies (page 29); and Note 17 of the financial statements (page 39)* As of 31 December 2019, the Group has recognised an environmental provision amounting to £4.9 million. We have assessed the estimation of the environmental provision to be a key audit matter because it requires significant management judgement due to the inherently complex process of estimating the amount and timing of future remediation costs as well as the appropriate discount rate to be used in computing the present value of the provision.	In addressing the risk of estimating the environmental provision, we have: • obtained an understanding of the nature and extent of the obligation through inquiries of management; • assessed the completeness and appropriateness of the estimated remediation costs by reviewing the reports of management's external specialists containing studies performed on the site and the estimated remediation costs; • evaluated the competence, capabilities and objectivity of the external specialists who performed the remediation studies; • engaged our internal valuation experts to assist us assessing the appropriateness of the discount rates applied by management; • assessed the appropriateness of inflation rates used in management's provisioning relative to external market data; • verified that the timing used in management's provisioning was consistent with the date of cessation of activities; and • evaluated the appropriateness of the financial statement disclosures.	We concluded that the environmental provision as of 31 December 2019 is appropriately stated.

Independent Auditor's Report to the Partners of Consolidated Financial Statements of Olive Storage Midco Ltd (continued)

Key audit matters (continued)

Revenue recognition: the risk of management override of controls *Refer to the Accounting policies (page 25); and note 5 of the financial statements (page 33)* The Group has reported revenues of £8.0 million for the period ended 31 December 2019. There is a risk of improper revenue recognition as a result of management override of controls, to overstate or understate revenue to achieve targeted results. Specifically, we consider the potential risk of inappropriate cut-off and recognition of fictitious invoices.	We performed enquiries of management and analysed contracts to evaluate whether revenue was recognised in accordance with the contractual terms. We also performed procedures that are designed to address the risk of manipulation of accounting records and the ability of management to override controls. We have: • performed a walkthrough to obtain an understanding of the revenue recognition process; • reviewed the terms and conditions of the significant contracts with customers; • on a sample basis, performed a test of transactions which included recalculation of invoiced amounts based on the terms of the agreements and traced to the invoiced amounts to receipts in bank statements; • performed cut-off testing; and • for all significant revenue streams, performed journal entry testing with particular focus on manual journals and journal activity affecting revenue outside our expectations. As part of our audit procedures to address this fraud risk, we assessed the overall control environment and interviewed senior management to understand whether there had been any reported actual or alleged instances of fraudulent activity during the year. We also considered the adequacy of the Group's disclosures related to revenue in note 5 to the consolidated financial statements.	We concluded that revenue is recognised consistently with the terms of sales agreements. We also concluded that the financial statements disclosures with respect to revenue fulfilled the requirements of the accounting standards.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each entity within the Group. This enables us to form an opinion on the financial statements. We take into account size, risk profile and the organisation of the Group and effectiveness of controls, including controls and changes in the business environment when assessing the level of the work to be performed. All audit work was performed directly by the audit engagement team.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £1,912,135, which is 1% of total assets. We believe that total assets held as at 31 December 2019 is the most relevant performance measure to the stakeholders of the Group.

We determined materiality for the parent company to be £1,109,871, which is 1% of total assets.

Independent Auditor's Report to the Partners of Consolidated Financial Statements of Olive Storage Midco Ltd (continued)

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% of our planning materiality, namely £956,068. We have set performance materiality at this percentage due to this being the first year audit for the Group.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We report all uncorrected audit differences in excess of £95,607, which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 we have performed, we conclude that there is a material misstatement of the 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 by the parent company, 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

Independent Auditor's Report to the Partners of Consolidated Financial Statements of Olive Storage Midco Ltd (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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 group and parent 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 group or the parent 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.

A further description of our responsibilities for the audit of the financial statements is located on 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.

William Binns

William Binns (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
London
20 November 2020

Consolidated Statement of Comprehensive Income

	Notes	Period from 25 April 2019 to 31 December 2019 £
Turnover	5	8,032,985
Cost of sales		(7,701,072)
Gross profit		**331,913**
Administration and other expenses	8	(6,150,244)
Other operating income	7	175,503
		(5,974,741)
Operating loss		**(5,642,828)**
Interest received	7	18,365
Interest on shareholder loan		(3,190,618)
Interest expense on bank loan		(865,417)
Other finance charges		(430,232)
		(4,467,902)
Loss on ordinary activities before taxation		**(10,110,730)**
Taxation for the period	9	847,953
Loss for the financial period		**(9,262,777)**
Total comprehensive loss for the period		**(9,262,777)**

All results shown in the Consolidated Statement of Comprehensive Income are from continuing operations.

The Group has no components of other comprehensive income in the current period.

The notes 1 to 27 form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

	Notes	At 31 December 2019 £
Assets		
Non-current assets		
Fixed assets	11	129,130,504
Intangible assets	12	12,758,197
Right-of-use asset	16	5,017,771
Goodwill	10	22,049,425
Deferred tax assets	9	7,703,708
		176,659,605
Current assets		
Trade and other receivables	14	2,651,105
Cash and cash equivalents		11,902,813
		14,553,918
Total assets		**191,213,523**
Equity and reserves		
Share capital	13	31,684,429
Accumulated losses		(9,262,777)
Total equity		**22,421,652**
Non-current liabilities		
Trade and other payables	15	725,000
Shareholder loan	18	76,315,571
Bank loan	19	54,210,634
Lease liability	16	4,987,374
Environmental provision	17	4,946,958
Derivative liabilities	26	50,968
Deferred tax liabilities	9	20,104,467
		161,340,972
Current liabilities		
Trade and other payables	15	7,289,139
Lease liability	16	161,760
		7,450,899
Total liabilities		**168,791,871**
Total equity and liabilities		**191,213,523**

The notes 1 to 27 form an integral part of these consolidated financial statements.

The consolidated financial statements set out on pages 12 to 46 were authorised for issue by the Directors on 20 November 2020 and signed on its behalf by:

D J Helmsley
Director

Company Statement of Financial Position

	Notes	At 31 December 2019 £
Assets		
Non-current assets		
Investment in a subsidiary	22	31,684,429
Loan to a subsidiary	26	71,737,717
		103,422,146
Current assets		
Trade and other receivables	14	3,000,331
Cash and cash equivalents		4,564,609
		7,564,940
Total assets		**110,987,086**
Equity and reserves		
Share capital	13	31,684,429
Accumulated losses		(231,007)
Total equity		**31,453,422**
Non-current liabilities		
Shareholder loan	18	76,315,571
Current liabilities		
Trade and other payables	15	3,218,093
Total liabilities		**79,533,664**
Total equity and liabilities		**110,987,086**

The notes 1 to 27 form an integral part of these consolidated financial statements.

The Company has taken the exemption under section 408 not to publish the parent company profit and loss account. The loss of the Company for the financial period is £231,007.

Consolidated Statement of Changes in Equity

	Called up share capital	Accumulated losses	Total
	£	£	£
Opening balance as at 25 April 2019	-	-	-
Shares issued	31,684,429	-	31,684,429
Comprehensive loss for the period	-	(9,262,777)	(9,262,777)
Closing balance as at 31 December 2019	**31,684,429**	**(9,262,777)**	**22,421,652**

The notes 1 to 27 form an integral part of these consolidated financial statements.

Company Statement of Changes in Equity

	Called up share capital	Accumulated losses	Total
	£	£	£
Opening balance as at 25 April 2019	-	-	-
Shares issued	31,684,429	-	31,684,429
Comprehensive loss for the period	-	(231,007)	(231,007)
Closing balance as at 31 December 2019	31,684,429	(231,007)	31,453,422

The notes 1 to 27 form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

	Notes	Period from 25 April 2019 to 31 December 2019 £
Cash flows from operating activities		
Operating loss		(5,642,828)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation of fixed assets and right-of-use asset	11, 16	4,768,944
Amortisation of intangible assets	12	117,355
Net unrealised loss on derivative financial instruments	25	50,968
Unwinding of discount on environmental provision	17	53,115
Working capital adjustments:		
Increase in trade and other receivables		(1,114,079)
Increase in trade and other payables		507,645
Net cash outflow from operating activities		**(1,258,880)**
Cash flows from investing activities		
Acquisition of a subsidiary	4	(151,930,123)
Cash acquired from a subsidiary	4	8,517,346
Capital expenditure		(4,878,396)
Net cash outflow from investing activities		**(148,291,173)**
Cash flows from financing activities		
Share capital issued	13	31,684,429
Bank loan proceeds net of transaction costs paid	19	53,998,000
Shareholder loan proceeds	18	76,315,571
Interest paid on bank loan	23	(432,709)
Other finance charges paid	23	(112,425)
Net cash inflow from financing activities		**161,452,866**
Net increase in cash and cash equivalents		**11,902,813**
Cash and cash equivalents at the start of the period		-
Cash and cash equivalents at the end of the period		**11,902,813**

The notes 1 to 27 form an integral part of these consolidated financial statements.

Company Statement of Cash Flows

	Notes	Period from 25 April 2019 to 31 December 2019 £
Cash flows from operating activities		
Operating loss		(39,615)
Working capital adjustments:		
Increase in trade and other receivables	14	(1,105)
Increase in trade and other payables	15	27,475
Net cash outflow from operating activities		**(13,245)**
Cash flows from investing activities		
Investment in a subsidiary	22	(31,684,429)
Shareholder loan issued to a subsidiary	26	(71,737,717)
Net cash outflow from investing activities		**(103,422,146)**
Cash flows from financing activities		
Share capital issued	13	31,684,429
Shareholder loan proceeds	18	76,315,571
Net cash inflow from financing activities		**108,000,000**
Net increase in cash and cash equivalents		**4,564,609**
Cash and cash equivalents at the start of the period		-
Cash and cash equivalents at the end of the period		**4,564,609**

The notes 1 to 27 form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1. Group Background

The consolidated financial statements of Olive Storage Midco Ltd and its subsidiaries, Olive Storage Ltd and Oikos Storage Limited for the period ended 31 December 2019 were authorised for issue in accordance with a resolution of the Directors on 20 November 2020. Olive Storage Midco Ltd ("the Company" or "the parent") is domiciled and incorporated in England and it's registered address is Two London Bridge, London, SE1 9RA, England. The Company has a 100% direct ownership interest in Olive Storage Ltd who acquired 100% of the ordinary share capital of Oikos Storage Limited. The principal activity of the Group during the period was the storage and distribution of bulk liquids. The Company was incorporated on 25 April 2019 with the purpose of holding an investment for its Shareholder.

The immediate parent of the Group is Olive Storage Holdings Ltd and the ultimate parent of the Group is SL Capital Infrastructure I LP.

2. Summary of significant accounting policies

2.1 Basis of preparation

The Group's consolidated financial statements and the Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"). The consolidated financial statements and the parent company's financial statements give a true and fair view and are in compliance with the Companies Act 2006. The significant accounting policies of the Group and the Company are set out below.

The Group's consolidated financial statements and the Company's financial statements have been prepared under the historical cost convention except for derivative financial instruments which are measured at fair value and they are presented in Pound Sterling ("£"), which is the functional currency of the Company.

The preparation of consolidated and parent company financial statements in conformity with IFRS as adopted by the EU requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Further details can be found in note 3 to the consolidated financial statements.

When a parent company prepares consolidated financial statements in accordance with the Companies Act 2006, the parent company is exempt from the requirement to publish its individual profit and loss account and the related notes. The exemption is conditional on the Company's individual balance sheet showing the Company's profit or loss for the financial period determined in accordance with the Act.

2.2 New and revised accounting standards / amendments effective for the current period

New and revised accounting standards that is effective for annual reporting period beginning on or after 1 January 2019 are listed below:

IFRS 16: Leases

IFRS 16 will primarily affect accounting by lessees and will result in the recognition of most leases in the Consolidated Statement of Financial Position. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The Consolidated Statement of Profit or Loss and other comprehensive income will also be affected as the total lease expense is typically higher in the earlier years and lower in later years.

Operating cash outflows will be lower as cash payments for the principal portion of the lease liability are classified within financing activities. Only the part of the payments that reflects interest can continue to be presented as an operating cash flow.

Accounting by lessors will not change significantly. IFRS 16 has been endorsed by the EU.

Following the adoption of IFRS 16, the Group has recognised a right-of-use asset during the period amounting to £5,017,771. For more information, refer to note 16.

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.2 New and revised accounting standards / amendments effective for the current period (continued)

IFRIC 23: Uncertainty over Income Tax Treatments
In June 2017, the IASB issued IFRIC 23 which clarifies the application of the recognition and measurement requirements in IAS 12, 'Income Taxes' when there is uncertainty over income tax treatments.

The interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately;
- The assumptions an entity makes about the examination of tax treatments by taxation authorities;
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and
- How an entity considers changes in facts and circumstances.

An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

IFRIC 23 has been endorsed by the EU.

The Group and the Company have no current or deferred income tax assets or liabilities for which local tax regulations create uncertainty in tax treatment; therefore there has been no material impact on the financial statements following adoption of IFRIC 23.

2.3 New accounting standards / amendments not yet effective

Certain amendments have been published that are not effective for reporting periods beginning on or after 1 January 2019 and have not been early-adopted by the Group or the Company. These amendments are not expected to have a material impact on the Group and the Company in the current or future reporting periods and on foreseeable future transactions.

Definition of Material (Amendments to IAS 1 and IAS 8)
The IASB has made amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to clarify and align the definition of materiality throughout IFRS and the Conceptual Framework for Financial Reporting. The amendments clarify when information is material and provide some guidance in IAS 1 about immaterial information.

The amendments address the following:

- 'Obscuring' was added to the definition of materiality and clarifies that obscuring information has a similar effect to omitting or misstating that information;
- An entity must assess materiality in the context of the financial statements as a whole; and
- The 'primary users of general-purpose financial statements' are defined as 'existing and potential investors, lenders and other creditors' who rely on general purpose financial statements for the financial information they need.

The amendment is effective for accounting periods beginning on or after 1 January 2020. Early adoption is permitted. The Amendment has been endorsed by the EU. The Group and the Company will adopt this amendment when it becomes effective.

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.3 New accounting standards / amendments not yet effective (continued)

Revised Conceptual Framework for Financial Reporting
The IASB has issued a Revised Conceptual Framework which will be used in standard-setting decisions with immediate effect.

Key changes include:
- Clarifying important areas, such as roles of stewardship, prudence and measurement uncertainty in financial reporting;
- New definitions of an asset and a liability, including criteria for inclusion in financial statements;
- Guidance added on derecognition of assets and liabilities;
- Guidance added on different measurement bases; and
- Improving guidance on presentation and disclosure, recognising the profit and loss statement as the primary source of information on financial performance, but providing guidance on when income and expenses can be held in other comprehensive income and if subsequent recycling to profit and loss in a future period will enhance the relevance or faithful representation of the financial statements.

Where existing IFRS standards reference the Conceptual Framework and its definitions, these references have been updated by the IASB, with immediate effect, to the Revised Conceptual Framework and its definitions. Entities that rely on the Framework whenever accounting policies and treatment are not specified under accounting standards should apply the Revised Framework beginning on or after 1 January 2020. Early adoption is permitted. The Revised Conceptual Framework has already been endorsed by the EU. The Group and the Company will adopt this Revised Conceptual Framework when it becomes effective.

2.4 Going concern
The Group's and Company's Directors have made an assessment of the Group's and Company's ability to continue as a going concern and are satisfied that the Group and the Company have the resources to continue in business for the going concern period to December 2021. In preparing these consolidated and parent company financial statements, the Directors have considered the uncertainty created by COVID-19, focusing specifically on:

- the level of liquid resources, including cash and cash equivalents, which exceed the level of creditors. The Directors regularly monitor the Group and Company's cash position to ensure sufficient cash is held to meet liabilities as they fall due. In respect of the impact of the COVID-19 pandemic, the Directors have undertaken a review of the security of the Group's fixed and variable revenues and assessed scenarios linked to reductions in revenue with offsetting mitigation to manage the Group's cash flow position. Overall, whilst impacted, free cashflow remained positive and there was no identified liquidity and solvency issue for the Group. The Group could also choose not to repatriate excess cashflow up the holding structure to SL Capital Infrastructure I LP if liquidity was low. This is the main reason why the cash balance declines over time;
- the value of the Group's assets in various downside scenarios, the Directors believe the Group will have a net fair value asset surplus in the foreseeable future;
- proximity to loan covenant conditions applicable to the Group, noting that no breaches are expected on any of the conditions under the current budget forecast adjusted for COVID-19 considerations, and under forecasts further adjusted to represent severe downside scenario;
- reverse stress testing, to determine the level of EBITDA at which the Group does breach a financial condition, the possibility of such scenario is deemed to be remote, plausible only on the breaking of a key customer contract. The contract is legally robust and contains no break rights, further the site is of strategic importance to the key customer and there has been no delay in payments since the COVID-19 outbreak began; and
- the effectiveness of operational resilience processes, noting that operationally the risk is limited given the high level of automation in place at the site. It is considered to be very unlikely that the site would be completely unable to operate for a significant period of time; to date there has been little disruption to the operations workforce as a result of COVID-19.
- Based on a review of the above, the Directors are satisfied that the Group and Company have, and will maintain, sufficient resources to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the consolidated and parent company financial statements. Accordingly, the consolidated and parent company financial statements have been prepared on a going concern basis

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.5 Consolidation and accounting for subsidiary entities within the Group

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The existence and effect of substantive rights, including substantive potential voting rights, are considered when assessing whether the Group has power over another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Olive Storage Midco Ltd ("OSM") has control over and therefore has consolidated the entities listed in note 22 in these consolidated financial statements.

2.6 Financial period

The consolidated and parent company financial statements have been prepared from 25 April 2019 (date of incorporation) to 31 December 2019. No comparatives are presented as this is the Group's and Company's first accounting period.

2.7 Functional currency

The Group's consolidated financial statements and the Company's financial statements are presented in Pound Sterling, which is also the parent company's functional currency as it most faithfully represents the economic effects of the underlying transactions, events and conditions.

2.8 Income, expenses, gains and losses

All income and expenses, inclusive of realised gains and losses, are accounted for on an accruals basis in the Consolidated Statement of Comprehensive Income.

2.9 Financial assets and liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding.

This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.9 Financial assets and liabilities (continued)

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group and the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- Financial assets at FVPL

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost includes trade and other receivables and cash and cash equivalents.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's Consolidated Statement of Financial Position and the Company's Statement of Financial Position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

Impairment

The Group and the Company recognise an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.9 Financial assets and liabilities (continued)

Impairment (continued)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group and the Company applies a simplified approach in calculating ECLs. Therefore, the Group and the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group and the Company consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, or amortised cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at FVPL;
- Financial liabilities at amortised cost (Shareholder loan, bank loan and trade and other payables)

Financial liabilities at amortised cost (Shareholder loan, bank loan and trade and other payables)

This is the category most relevant to the Group and the Company. After initial recognition, the bank loan is subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Consolidated Statement of Comprehensive Income when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as interest in the Consolidated Statement of Comprehensive Income.

This category generally applies to the bank loan. For more information, refer to note 2.15.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated a the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Comprehensive Income.

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.9 Financial assets and liabilities (continued)

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.10 Revenue recognition

The Group recognises revenue based on the five step model as set out in IFRS 15: Revenue from Contracts with Customers. Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognised when the Group transfers control over a product or service to a customer.

The contracts with the customer are on take or pay provision. The contracts are essentially fixed in terms of revenue, where the Group being paid for storing jet and diesel fuel regardless of product volumes held. The revenue are based on contractually agreed inputs which include a fixed storage capacity and charge rate.

The Group recognised revenue from take or pay contract over time because the customers simultaneously receives and consumes the benefits provided to them over the period of the contract. The contracts also give rise to other revenue streams, such as quay dues, pump overs and commissioning fees, which are recognised at point in time when the customer benefits from the services provided by the Group. When the Group satisfied a performance obligation by providing the promised goods or services, it creates a contract receivables based on the amount of consideration earned by the performance. Primarily the performance obligation that the customers expect from the Group is to provide a storage facility for bulk liquids to the customers.

Revenue is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services based on the consideration specified in a contract with a customer.

2.11 Impairment of non-financial assets

The Group assesses at each reporting date whether an asset may be impaired. If any such indication exists the Group estimates the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the Group estimates, the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit ("CGU") is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired through an impairment in profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared for the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the Consolidated Statement of Profit or Loss in expense categories consistent with the function of the impaired asset.

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.11 Impairment of non-financial assets (continued)

An impairment loss recognised for all assets, is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

2.12 Taxation

Current income tax

Current income tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.13 Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investment that is readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.14 Fixed assets

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the fixed asset and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of fixed assets are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgements, estimates and assumptions (note 3) and provisions (note 2.16) for further information about the recognised decommissioning provision.

Depreciation is provided on fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Plant & machinery - 5 to 20 years
- Fixtures, fittings & office furniture - 5 years

Leasehold land & buildings are depreciated over the remaining term of the lease.

An item of fixed assets and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Comprehensive Income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of fixed assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Environmental assets are included within leasehold land and buildings and are depreciated over the remaining term of the lease.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

2.15 Borrowings

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

Borrowings are shown as non-current liabilities unless any settlement of the liability is within 12 months of the reporting date.

As at 31 December 2019, the carrying amount of borrowings approximate their fair value.

2.16 Provisions

Provisions for environmental restoration are recognised as a result of past events; if it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a discounted pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.17 Derivative financial instruments

The Group uses derivative financial instruments, such as interest rate swaps to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.18 Pension costs

The Group makes contributions to defined contribution pension schemes for employees. The assets of the schemes are held separately from those of the Group. The annual contributions payable are charged to the Consolidated Statement of Comprehensive Income when they become payable.

2.19 Share capital

Shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from proceeds, net of tax.

Dividends payable in relation to equity shares are recognised as a liability in the period in which they are declared.

2.20 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at the fair value with changes in fair value recognised in the Consolidated Statement of Comprehensive Income in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest and any previous interest held over the identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of the net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective whether other assets or liabilities of the acquiree are assigned to those units.

2.21 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Comprehensive Income in the expense category that is consistent with the function of the intangible assets.

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.21 Intangible assets (continued)

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Comprehensive Income.

2.22 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land - 73 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.23 Capital commitment

Amounts contracted for but not provided for are disclosed in note 21 in the consolidated financial statements.

2.24 Contingencies

The Directors have confirmed that there were no contingent liabilities which should be disclosed at 31 December 2019.

2.25 Environmental provision

In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, the Group is required to provide for environmental costs. The present value of estimated environmental costs is shown as a provision. The amount recognised is the present value of the estimated future expenditure. The unwinding of the discount rate is recognised as an expense and is included in the interest payable in the Consolidated Statement of Comprehensive Income.

Notes to the Consolidated Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.26 Segment reporting

For management purposes, including information reporting to the Board of Directors as the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of performance, the Group is considered as one segment without disaggregation. There is only one geographical location at which asset and customers are based, and there is only one revenue generating activity being the operation of the bulk liquid storage facility. As such under IFRS 8 we have determined there is only one reportable segment with no further disclosure necessary. No operating segments have been aggregated to form the reportable segment.

3. Critical accounting estimates and judgements

There are key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.1 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Fair value is derived using the discounted cash flow methodology, with costs of disposal estimated by management. The value in use calculation is based on a discounted cash flow model. The cash flows are based on a financial model prepared by management projecting cashflows until 31 December 2038, at which point there is also a terminal value assumption.

The recoverable amount is sensitive to the discount rate used for the fair value model as well as the expected future cash-inflows and the terminal value multiple. These estimates are most relevant to fixed assets, goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the sole CGU identified are disclosed and further explained in note 10.

3.2 Environmental provision

The Group has recognised a provision for environmental make good obligations associated with the site. In determining the fair value of the provision, assumptions and estimates are made in relation to the discount rate, the expected cost to make good and the expected timing of those costs. The length of time to settle this obligation is modelled at 73 years, the timescale presents a high degree of uncertainty around what the actual cost will be and what techniques will be used to carry out the work. The estimation can, at present, only be based on existing technologies comprised of both mitigation works and final clearance works.

In arriving at the value of the provision, the discount rate applied represents a significant estimate. Management have discounted the future liability by an estimate of the risk free rate (2.5%). This is based on Oxford Economics' long term forecast for Thirty Year UK government bond yields. If the estimated discount rate used in the calculation had been 1% higher than management's estimate, the carrying amount of the provision would have been £2,501,045 lower.

3.3 Taxation

The Group and the Company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

3.4 Determination of business combination and subsequent purchase price allocation

On 29 May 2019, the Group acquired 100% of the voting shares of Oikos Storage Limited, a non-listed Company based in the United Kingdom specialising in the storage and handling of bulk liquid. The Group considered the Company to meet the definition of a business under IFRS 3 Business Combinations, and the transaction has been accounted for as a business combination as at date of acquisition for the following reasons:

- There are identified inputs include the state-of-the-art storage terminal of which the Company is the independent owner and operator, as well as the specialised workforce.
- Through the operational processes associated with bulk liquid storage and distribution, output is generated in the form of revenue from various customers for the service provided.

Notes to the Consolidated Financial Statements (continued)

3. Critical accounting estimates and judgements (continued)

3.4 Determination of business combination and subsequent purchase price allocation (continued)

In determining the fair value of the identifiable assets acquired and liabilities assumed, there are significant judgement and estimates involved. In particular, the valuation of the identified customer-related intangible asset, which is highly sensitive to underlying assumptions around future cash flows (including assumptions related to revenue and operating costs), length of the contracts and discount rates. Additionally the valuation of fixed assets has several key valuation inputs to be considered, such as replacement cost, normal useful life and depreciation profiles.

Management engaged an independent expert to assist in determining the fair value of fixed assets, and any identifiable intangible assets, in addition to goodwill. Management worked closely with the appointed qualified external valuer to establish the appropriate valuation techniques and inputs to the modelling.

As a result of the valuation analysis, an intangible asset was recognised in relation to key contracts held by Oikos Storage Limited, which represent a key part of its growth strategy. To value the contracts, the multi-period excess earnings methodology was used, by discounting net operating profit after tax less an estimation of the contributory asset charges, which comprise charges against the earnings made for any other contributing assets, including workforce, fixed assets, and working capital. Charges were applied to reflect the hypothetical return an investor would require from "leasing" these assets, to generate cash flows from contracts, if owned separately. Consideration was also given to the remaining useful life of the contracts, including attrition, which was considered as a probability of renewal. A discount rate of 7.75% was used, with reference to the IRR of the transaction and an independently calculated discount rate. The contracts were determined to have a value of £12,875,552. No other intangible assets were identified.

Tangible assets included tanks, plant and equipment, marine facilities, pipelines and construction in progress. Considering the nature of the tangible assets, their present condition, location and the availability of information, the cost approach was used in arriving at the fair value of all the tangible assets. The cost approach is based on the premise that a prudent investor would pay no more for an asset that its replacement or reproduction cost. As part of the cost approach, the replacement cost new (“RCN”), normal useful life and depreciation profiles were developed via both the indirect and direct cost method. The valuation was based on a continued use principle assuming that the business will maintain its current operation in the future. Thus, all the assets are deemed to be employed in their current use which also represented the highest and best use. Total tangible assets were valued at £128,980,214.

Residual value after recognition of tangible assets and contracts at fair value was allocated to goodwill arising from the business combination.

3.5 Lease Term

The Group has a lease contract for Land used in its operations. The lease is for a period of 13 years with options to extend the lease for an additional term of 30 years on 13 December 2032 and a further option thereafter to extend the lease for another 30 years on 14 December 2062. For the purpose of calculating the value of the right-of-use lease asset and lease liability under IFRS 16, and for the purpose of calculating the unwinding of the environmental provision, it has been assumed that the Group will exercise both options to extend the lease, taking the term to 2092. Given the strategic location of the Oikos Storage Limited being well placed to serve the South East of England, including the major international airports of Heathrow, Gatwick and Stansted, management believe it is reasonably certain that this option will be exercised.

Notes to the Consolidated Financial Statements (continued)

4. Business combinations and goodwill

Acquisition of Oikos Storage Limited

On 29 May 2019, the Group acquired 100% of the voting shares of Oikos Storage Limited, a non-listed Company based in the United Kingdom for a total purchase consideration of £151,930,123 which was paid in cash. Oikos Storage Limited specialises in storage and handling of bulk liquid and the Group acquired Oikos Storage Limited because it significantly enlarges the range of infrastructure products that can be offered to its clients.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Oikos Storage Limited as at the date of acquisition are listed below. An amount £22,049,425 of goodwill has been recognised representing the surplus of consideration paid over the fair value of the net identifiable assets acquired and liabilities assumed. The goodwill comprises the value of substantial development opportunities present which would greatly increase storage capacity and lead to significant future growth of Oikos Storage Limited.

The fair values of the identifiable assets and liabilities of Oikos Storage Limited as at the date of acquisition were:

	Fair value recognised on acquisition £
Fixed assets	128,980,214
Cash and cash equivalents	8,517,346
Trade and other receivables	1,522,310
Intangible assets	12,875,552
Right-of-use asset	5,058,608
Total assets	**156,954,030**
Deferred income	(1,248,112)
Accrued expenses	(2,624,057)
Environmental provision	(4,893,843)
Lease liability	(5,058,608)
Deferred tax liabilities	(13,248,712)
Total liabilities	**(27,073,332)**
Total identifiable net assets at fair value	**129,880,698**
Goodwill (further details can be found in note 10)	22,049,425
Purchase consideration transferred	**151,930,123**

The total purchase consideration in the acquisition of Oikos Storage Limited amounted to £151,930,123 which was paid in cash.

Analysis of cash flows on acquisition:	
Net cash acquired with subsidiary (included in cash flows from investing activities)	8,517,346
Net cash paid for acquisition of a subsidiary (included in cash flows from investing activites)	(151,930,123)
Net cash outflow on acquisition	**(143,412,777)**

Total expenses that were attributable directly to the acquisition of Oikos Storage Limited was £4,106,034 which are included within legal and professional fees.

Notes to the Consolidated Financial Statements (continued)

5. Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Group
	At 31 December 2019
Type of goods or services	£
Storage services	7,504,702
Other services	528,283
Total revenue from contracts with customers	**8,032,985**
Timing of revenue recognition	
Goods and services transferred over time	7,504,702
Goods and services transferred at a point in time	528,283
Total revenue from contracts with customers	**8,032,985**

6. Employee information

	Group
	Period from 25 April 2019 to 31 December 2019
Average number of operations staff	25
Average number of administrative staff	9
Total	**34**

The aggregate payroll costs of the above were:

			Group
			Period from 25 April 2019 to 31 December 2019
	Operation	Administration	Total
	£	£	£
Wages and salaries	644,082	513,587	1,157,669
Social security costs	74,410	68,225	142,635
Other pension costs	58,085	22,782	80,867
	776,577	**604,594**	**1,381,171**

The operation cost of £776,577 is included in Cost of Sales in the Consolidated Statement of Comprehensive Income.

The pension cost charge represents contributions payable to the defined contribution pension schemes and amounted to £80,867.

7. Interest and other operating income

	Company	Group
	Period from 25 April 2019 to 31 December 2019	Period from 25 April 2019 to 31 December 2019
	£	£
Other income	-	175,503
Interest income	2,999,226	18,365
	2,999,226	**193,868**

Notes to the Consolidated Financial Statements (continued)

8. Administration and other expenses

	Company Period from 25 April 2019 to 31 December 2019 £	Group Period from 25 April 2019 to 31 December 2019 £
Legal and professional fees	5,446	4,805,874
Payroll cost	-	604,594
Administration fees	12,169	278,259
Audit fees	22,000	236,000
Amortisation of intangible assets	-	117,355
Net unrealised movement on derivative liabilities	-	50,968
Insurance fees	-	45,194
Loan arrangement fees	-	12,000
	39,615	**6,150,244**

9. Taxation

	Group Period from 25 April 2019 to 31 December 2019 £
Current tax:	
Current tax on profits for the period	-
Total current tax	-
Deferred tax:	
Current period	(947,712)
Difference in tax rates (19% and 17%)	99,759
Total deferred tax	**(847,953)**
Tax per Consolidated Statement of Comprehensive Income	**(847,953)**
Deferred tax acquired	13,248,712
	13,248,712

	Group Period from 25 April 2019 to 31 December 2019 £
Factors affecting total tax charge for the current period	
The charge for the period can be reconciled to the profit per the Consolidated Statement of Comprehensive Income as follows:	
Loss for the period	(10,110,730)
Tax on loss at standard UK tax rate of 19.00%	(1,921,039)
Effects of:	
Expenses not deductible	973,327
Tax rate changes	99,759
Tax credit for the period	**(847,953)**

UK corporate tax is calculated at a statutory rate of 19% for the profit for the year. The UK corporation tax main rate was due to reduce to 17% with effect from 1 April 2020. However, in its Budget announcement, on 11 March 2020, the UK Government confirmed that the UK corporation tax main rate will remain at 19% from 1 April 2020. The Budget resolution which has statutory effect under the provisions of the Provisional Collection of Taxes Act 1968, for this measure (i.e. cancelling the enacted rate cut to 17%) was substantively enacted on 17 March 2020. Deferred tax on temporary differences has been measured at the rate of 17% the year ended 31 December 2019, which was the rate enacted as at the balance sheet date.

Notes to the Consolidated Financial Statements (continued)

9. Taxation (continued)

	Group Period from 25 April 2019 to 31 December 2019
Deferred tax (assets) / liabilities:	**£**
Deferred tax credit	(847,953)
Deferred tax acquired	13,248,712
Provision at end of period	**12,400,759**
Fixed assets	17,082,553
Deferred tax on intangible assets	2,168,893
IFRS 16 - Right-of-use asset	853,021
IFRS 16 - Lease liability	(875,353)
Other temporary differences	(1,106,213)
Losses	(5,722,142)
	12,400,759

Deferred tax liabilities	**Fixed assets**	**Deferred tax on Intangibles**	**IFRS 16 - Right-of-use asset**	**IFRS 16 - Lease liability**	**Capital gains held over**	**Losses**	**Total**
	£	**£**	**£**	**£**	**£**	**£**	**£**
At 25 April 2019	-	-	-	-	-	-	-
Acquisition	17,363,183	2,188,843	859,963	-	780,547	-	21,192,536
Credited to the Consolidated Statement of Comprehensive Income - current period	(280,630)	(19,950)	(6,942)	-	(780,547)	-	(1,088,069)
At 31 December 2019	**17,082,553**	**2,168,893**	**853,021**	**-**	**-**	**-**	**20,104,467**

Deferred tax assets	**Fixed assets**	**Deferred tax on Intangibles**	**IFRS 16 - Right-of-use asset**	**IFRS 16 - Lease liability**	**Environmental provision and others**	**Losses**	**Total**
	£	**£**	**£**	**£**	**£**	**£**	**£**
At 25 April 2019	-	-	-	-	-	-	-
Acquisition	-	-	-	(859,964)	(627,856)	(6,456,004)	(7,943,824)
Charged / (credited) to the Consolidated Statement of Comprehensive Income - current period	-	-	-	(15,389)	(478,357)	733,862	240,116
At 31 December 2019	**-**	**-**	**-**	**(875,353)**	**(1,106,213)**	**(5,722,142)**	**(7,703,708)**

The Group has tax losses that arose during the period of £33,659,663 that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

The Group has determined that any undistributed profits of its subsidiary will not be distributed in the foreseeable future. The Group has an agreement with its subsidiary that any profits of the subsidiary will not be distributed until it obtains the consent of the Group. The Group does not anticipate giving such consent at the reporting date.

Notes to the Consolidated Financial Statements (continued)

10. Goodwill

As at 31 December 2019, the Group's goodwill amounts to £22,049,425. Goodwill arose on 29 May 2019 on the Group's acquisition of 100% of the share capital in Oikos Storage Limited.

The recoverable amount of Oikos Storage Limited, as the sole CGU to which goodwill has been allocated, is based on the fair value less costs of disposal methodology (this being the higher than the value in use methodology). Fair value is derived using the discounted cash flow methodology. Costs of disposal are assumed to be c.3%.

These cashflow projections, which represent post-tax Free Cash Flow to the Firm, are based on a financial model prepared by management and use a WACC as the discount rate in order to calculate the fair value. For valuation purposes, the financial model projects cashflows until 31 December 2038 which at this point there is also a terminal value assumption. This assumption is based on an EBITDA multiple. The valuation is approved by a valuation committee comprising investment professionals and members of the Manager's finance operations team.

As at 31 December 2019, an impairment assessment was completed by comparing the recoverable amount against the carrying amount of the CGU. As a result of this analysis, management did not identify impairment for this CGU.

Key assumptions used in fair value less costs of disposal calculations and sensitivity to changes in assumptions

The calculation of fair value less costs of disposal is most sensitive to the following assumptions:

- Discount rate
- Terminal value
- RPI rates

Discount rate – the discount rate of 7.1% is used and is one in which management view as reasonable for valuation purposes. This is based on management's knowledge of the market, an assessment of the specific characteristics of the asset and also what management believe a potential willing buyer would use as their target return.

Terminal value – the terminal value assumption used is based on an EBITDA multiple in 31 December 2038. Management view the multiple of 14.0x used as reasonable when viewed against comparable transactions in the sector.

RPI rates - the cashflow projections are dependant upon the long term contractual revenue stream for liquid bulk storage, which is linked to RPI. For the purpose of these projections, RPI forecasts from Oxford Economics, an independent third party economic consultant, were used. The RPI rate used for 2019 was 2.58%, increasing to 3.03% by 2038.

The recoverable amount of the cash-generating unit is sensitive to changes in the discount rate and a sensitivity analysis has been performed. An increase of the discount rate of 1% (to 8.1%) would result in the aggregate carrying amount exceeding the aggregate recoverable amount by £12,776,617. Management view the current discount rate of 7.1% as appropriate given it (i) represents an achievable level of gearing in the business, (ii) represents a cost of debt which management believe would be achievable for any willing buyer to secure and (iii) represents a cost of equity in which reasonably reflects the risk profile of the business.

Notes to the Consolidated Financial Statements (continued)

11. Fixed assets

	Leasehold land and buildings	Plant and machinery	Fixtures, fittings & office equipment	Assets under construction	Total
Cost	£	£	£	£	£
At 25 April 2019	-	-	-	-	-
Acquisition of a subsidiary	6,876,975	62,834,650	62,134	59,206,455	128,980,214
Additions	1,667	12,905	19,971	4,843,853	4,878,396
Transfers	-	61,435,189	-	(61,435,189)	-
At 31 December 2019	**6,878,642**	**124,282,744**	**82,105**	**2,615,119**	**133,858,610**
Depreciation					
At 25 April 2019	-	-	-	-	-
Charge for the period	249,250	4,438,878	39,978	-	4,728,106
At 31 December 2019	**249,250**	**4,438,878**	**39,978**	**-**	**4,728,106**
Net book value					
At 31 December 2019	**6,629,392**	**119,843,866**	**42,127**	**2,615,119**	**129,130,504**

Assets under construction
Included in fixed assets at 31 December 2019 was an amount of £2,615,119 relating to expenditure for a plant in the course of construction.

12. Intangible assets

Group	Intangible assets - customer contracts	Goodwill	Total
Cost	£	£	£
At 25 April 2019	-	-	-
Acquisition of a subsidiary	12,875,552	22,049,425	34,924,977
At 31 December 2019	**12,875,552**	**22,049,425**	**34,924,977**
Amortisation			
At 25 April 2019	-	-	-
Charge for the period	117,355	-	117,355
At 31 December 2019	**117,355**	**-**	**117,355**
Net book value			
At 31 December 2019	**12,758,197**	**22,049,425**	**34,807,622**

Included in intangible assets at 31 December 2019 was an amount of £12,875,552 relating to the fair value of the identifiable customer contracts as at the date of acquisition of Oikos Storage Limited.

The Group secured two storage contracts which fully utilises its capacity. These contracts are on a take or pay basis, for a set rate and storage capacity.

Notes to the Consolidated Financial Statements (continued)

13. Share capital

	Group and Company At 31 December 2019
Authorised shares	**£**
Ordinary shares of £1 each	31,684,429
	31,684,429
Issued on 25 April 2019 (date of incorporation)	-
Issued on 28 May 2019	31,684,429
	31,684,429

As at 31 December 2019, 31,684,429 ordinary shares were subscribed at £1 par value and fully paid up.

Ordinary non redeemable voting shares carries full rights to dividends and Capital Distributions as described in the Memorandum and the Articles of Association. The authorised share capital is also the total issued capital. No reconciliation is required as the authorised shares are fully subscribed and paid.

14. Trade and other receivables

	Company At 31 December 2019	Group At 31 December 2019
	£	**£**
Trade receivables	-	1,577,577
Prepayments	1,105	1,062,444
Due from related party	-	7,000
Other receivable	-	4,084
Interest receivable	2,999,226	-
	3,000,331	**2,651,105**

Trade and other receivables are non-interest bearing and are generally on terms of 30 to 90 days.

15. Trade and other payables

	Company At 31 December 2019	Group At 31 December 2019
	£	**£**
Accruals and accounts payable	27,475	4,247,441
Interest payable on shareholder loan	3,190,618	3,190,618
Interest payable on bank loan	-	432,708
VAT payable	-	99,676
Other finance charges payable	-	26,648
Amounts due to Limited Partners	-	17,048
	3,218,093	**8,014,139**

Trade and other payables are non-interest bearing and are generally on terms of 30 to 90 days including a non current asset amounting to £725,000.

Notes to the Consolidated Financial Statements (continued)

16. Leases

The Group has a lease contract for Land used in its operations. The lease is for a period of 13 years with options to extend the lease for an additional term of 30 years on 13 December 2032 and a further option thereafter to extend the lease for another 30 years on 14 December 2062.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period.

	Land
	£
As at 25 April 2019	-
Additions	5,058,609
Depreciation for the period	(40,838)
As at 31 December 2019	**5,017,771**

Set out below are the carrying amounts of lease liabilities and the movements during the period.

	Land
	£
As at 25 April 2019	-
Additions	5,058,609
Accretion of interest	94,220
Payments	(3,695)
As at 31 December 2019	**5,149,134**
Current	161,760
Non - Current	4,987,374

17. Environmental provision

	Group
	At 31 December 2019
	£
At 25 April 2019	-
Acquisition of a subsidiary	4,893,843
Unwind of the discount rate	53,115
At 31 December 2019	**4,946,958**

The provision is expected to be utilised over the extended lease period.

18. Shareholder loan

	Group and Company
	At 31 December 2019
	£
Shareholder loan	76,315,571
	76,315,571

The details of the shareholder loan which has been registered as listed debt on The International Stock Exchange ("TISE") are included in note 20 overleaf.

Notes to the Consolidated Financial Statements (continued)

19. Bank loan

	Group At 31 December 2019 £
Bank loan as at 25 April 2019	
Loan facility	55,000,000
Agency fee	(12,000)
Arrangement fee	(990,000)
Proceeds	53,998,000
Amortised arrangement fee	212,634
Bank loan as at 31 December 2019	**54,210,634**

A term loan of £55,000,000 was taken out with Skandinaviska Enskilda Banken AB (publ) and BNP Paribas Fortis SA/NV on 29 May 2019 and repayments are due in full on the sixth anniversary from the closing date exluding a revolving facility amounting to £5,000,000.

This loan bears interest at an annual rate of 6-month LIBOR and a margin of 1.75%. Accrued interest shall be paid on the last day of each interest period.

20. Related party disclosure

The immediate parent of the Group is Olive Storage Holdings Ltd and the ultimate parent of the Group is SL Capital Infrastructure I LP. The registered addresses of Olive Storage Holdings Ltd and SL Capital Infrastructure I LP are Bow Bells House, 1 Bread Street, London, EC4M 9HH United Kingdom and 1 George Street, Edinburgh, EH2 2LL, United Kingdom respectively.

At 31 December 2019, £7,000 was due from Olive Storage Holdings Ltd to the Group in relation to working capital, as disclosed in note 14 to the consolidated financial statements.

The Group or Company did not pay Directors fees for the period ended 31 December 2019.

At 31 December 2019, £76,315,571 was due to SL Capital Infrastructure I LP from the Company in respect of their shareholder loan. The Group may at any time redeem any notes in whole or in part plus any accrued but unpaid interest but excluding the date fixed for redemption. But in any case, the Group will redeem the notes on 28 May 2044 (“Maturity Date”) in full, in cash, at their principal amount together with unpaid interest accrued on the relevant notes including the date of such repayment and any other sum payable on the notes. The note bears interest at a fixed rate of 7.00% per annum from the issue date and payable every 30 June and 31 December in each year. The interest can be paid or the Group may at its sole discretion elect to satisfy its obligation to pay interest on the shareholder loan by the issue of payment in kind notes.

At 31 December 2019, £3,190,618 was due to SL Capital Infrastructure I LP from the Company in respect of interest payable on their shareholder loan as disclosed in note 15 to the consolidated financial statements.

21. Capital commitment

	Group At 31 December 2019 £
Contract retention payments	741,446
Ongoing contract payments	1,316,277
At 31 December 2019	**2,057,723**

The contract retention payments are for projects to build 12 new tanks and a deep water jetty together with its associated civils, instrumentation and pipework. Ongoing contract payments are for projects for pipework modifications, associated civils, instrumentation and construction of a new road loading bay. Ongoing contracts are in the process of settlement as at 31 December 2019.

Notes to the Consolidated Financial Statements (continued)

22. Investment in a subsidiary

The Company has a 100% direct ownership interest in Olive Storage Ltd which is incorporated in England and Wales. At 31 December 2019, total subscriptions made by the Company to Olive Storage Ltd amounted to £31,684,429.

Details of the Company's Investment and it's controlled entity are as follows:

Investments	Country of Domicile	Ownership Interest	Direct / Indirect Holdings	Share Class	Other Financial Instruments
Olive Storage Ltd	England	100%	Direct	Ordinary Shares	Shareholder Loans

On 29 May 2019, Olive Storage Ltd acquired 100% of the voting shares of Oikos Storage Limited, a non-listed Company based in the United Kingdom for a total purchase consideration of £151,930,123 which was paid in cash.

Details of the Group's subsidiary and it's controlled entity are as follows:

Investments	Country of Domicile	Ownership Interest	Direct / Indirect Holdings	Share Class
Oikos Storage Limited	United Kingdom	100%	Direct	Ordinary Shares

23. Changes in liabilities arising from financing activities

	At 25 April 2019	Cash flows	Reclassified as part of disposal group	Interest	Changes in fair values	New leases	Other	31 December 2019
	£	£	£	£	£	£	£	£
Bank loan	-	53,998,000	-	-	-	-	212,634	54,210,634
Shareholder loan	-	76,315,571	-	-	-	-	-	76,315,571
Interest payables								
- Bank loan	-	(432,709)	-	865,417	-	-	-	432,708
- Shareholder loan	-	-	-	3,190,618	-	-	-	3,190,618
Other finance charges	-	(112,425)	-	-	-	-	139,073	26,648
Derivatives	-	-	-	-	50,968	-	-	50,968
Lease liability	-	-	-	-	-	5,058,609	90,525	5,149,134
Total liabilities from financing activities	**-**	**129,768,437**	**-**	**4,056,035**	**50,968**	**5,058,609**	**442,232**	**139,376,281**

24. Financial risk management

The overall strategy for the management of investment risk is reviewed periodically by the Directors. Investment is selected by the Directors to achieve the investment objective of generating attractive returns.

The Group's and Company's activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risks to which the Group and the Company are exposed to are interest rate risk, credit risk and liquidity risk. The risk management policies employed by the Group and the Company are detailed below:

Notes to the Consolidated Financial Statements (continued)

24. Financial risk management (continued)

24.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group is subject to cash flow interest rate risk due to fluctuations in the prevailing levels of market interest rates. All financial liabilities at amortised cost have fixed interest rates, other than the term loan, which has fixed interest which is partially swapped for floating interest via the interest rate derivatives.

Interest rate derivatives are required by the terms of the bank loan to cover 35% of the outstanding loan amount. The purpose of this is to mitigate the Group's exposure to interest rate risk.

The interest rate derivatives are amortising swaps, with the notional amount decreasing to match 35% of the outstanding loan amount. The interest rate derivatives are swapped fixed for floating. However 2006 ISDA definitions apply, which means that the Group pay both legs of the interest rate derivatives when the EURIBOR is negative.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

2019	Increase/ (decrease) in basis points	Effect on loss before tax £
GBP	50	(162,740)
GBP	(50)	162,740

24.2 Credit risk

Credit risk is the exposure to loss arising from the failure of a counterparty to deliver securities or cash for acquisitions or disposals of investment or to repay deposits.

The maximum exposure to credit risk, in the event that counterparties fail to perform their obligations as at the year end (in relation to each class of recognised financial assets), is the carrying amount of those assets in the Consolidated Statement of Financial Position. At the reporting date, the Group's and the Company's financial assets exposed to credit risk amounted to the following:

	Company	Group
	At 31 December 2019	At 31 December 2019
	£	£
Financial assets at amortised cost	71,737,717	-
Cash and cash equivalents	4,564,609	11,902,813
Trade and other receivables	2,999,226	1,588,661
	79,301,553	**13,491,474**

The Group and Company places cash with authorised deposit takers and, therefore, is potentially at risk from the failure of any such institution. At 31 December 2019, all of the Group's cash was held by Barclays which was rated "A", NatWest which was rated "BBB", and Societe Generale which was rated "A" by Standard & Poor's at the date of the Directors' Report. At 31 December 2019, all of the Company's cash was held by Societe Generale which was rated "A" by Standard & Poor's at the date of the Directors' Report.

Notes to the Consolidated Financial Statements (continued)

24. Financial risk management (continued)

24.2 Credit risk (continued)

At 31 December 2019, the Group had 2 customers which account for 100% of all the receivables and contract assets outstanding. The Group evaluates the concentration of risk with respect to trade receivables as high, as it has reliance on two key customers for fixed stream revenue. 90% of site capacity is contracted to one customer and the remaining 10% of site capacity is contracted to a second customer.

At 31 December 2019, the trade and other receivables held by the Group are not past due nor impaired.

24.3 Liquidity risk

Liquidity risk is the risk that the Group and the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity based on the remaining period at the Consolidated Statement of Financial Position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows:

At 31 December 2019

	Less than 1 year	Between 1 and 3 years	More than 3 years	Total
	£	£	£	£
Liabilities				
Trade and other payables	3,998,845	725,000	-	4,723,845
Derivative financial liabilities	-	50,968	-	50,968
Bank loan	1,450,463	4,794,342	57,853,822	64,098,627
Shareholder loan	8,532,708	10,684,180	193,841,550	213,058,438
Lease liability	161,760	512,733	4,474,641	5,149,134
Total liabilities	**14,143,776**	**16,767,223**	**256,170,013**	**287,081,012**

The Directors regularly monitor the Group's and the Company's liquidity position to ensure sufficient liquidity levels are in place.

24.4 Capital risk management

The capital of the Group and the Company are represented by the net assets. The Group's and the Company's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for the Shareholder and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Group and the Company. In order to maintain or adjust the capital structure, the Group and the Company may distribute funds to the Shareholder.

Notes to the Consolidated Financial Statements (continued)

25. Fair value measurement

The Group and the Company measures financial instruments such as derivatives at fair value at each balance sheet date. 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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group and the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group and the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

The following table analyses within the fair value hierarchy the Group's Investment measured at fair value:

At 31 December 2019

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Derivative financial instruments at fair value through profit or loss	-	(50,968)	-	(50,968)

There were no transfers between levels during the current period.

Fair value measurement of financial instruments

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

Valuation techniques and processes

Where valuation techniques are used to determine fair values of derivative financial instruments, they are validated and periodically reviewed by the Directors.

Notes to the Consolidated Financial Statements (continued)

26. Financial instruments

	Company		Group	
	2019		2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
	£	£	£	£
Financial assets measured at amortised cost				
Loan to a subsidiary	71,737,717	71,737,717	-	-
Cash and cash equivalents	4,564,609	4,564,609	11,902,813	11,902,813
Trade and other receivables	2,999,226	2,999,226	1,588,661	1,588,661
Total financial assets measured at amortised cost	**79,301,553**	**79,301,553**	**13,491,474**	**13,491,474**
Financial liabilities measured at amortised cost				
Shareholder loan	(76,315,571)	(76,315,571)	(76,315,571)	(76,315,571)
Bank loan	-	-	(54,210,634)	(54,210,634)
Trade and other payables	(3,218,093)	(3,218,093)	(7,914,463)	(7,914,463)
Total financial liabilities measured at amortised cost	**(79,533,664)**	**(79,533,664)**	**(138,440,668)**	**(138,440,668)**
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	-	-	(50,968)	(50,968)
Total financial liabilities measured at fair value through profit or loss	**-**	**-**	**(50,968)**	**(50,968)**

The management assessed that the fair values of cash and cash equivalents, trade and other receivables and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The carrying amount of the shareholder loan and the loan to a subsidiary is a reasonable approximation of its fair value as the fair value of the shareholder loan is estimated by discounting expected future cash flows at market incremental lending rate for similar type of lending or borrowings arrangements. The fair values of the Group’s bank loan are determined by using the DCF method using discount rate that reflects the issuer’s borrowing rate as at the end of the reporting period

27. Subsequent events

Subsequent events have been evaluated up to 20 November 2020.

The outbreak of the Novel Coronavirus (“COVID-19”) in 2020 has resulted in significant loss of life, adversely impacted global commercial activity and contributed to significant volatility in equity and debt markets around the world. The global impact of the outbreak is rapidly evolving and on 11 March 2020, the World Health Organization declared a pandemic. Many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity and are having a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries. The impact of COVID-19 has led to significant volatility and declines in the global public equity markets and it is uncertain how long this volatility will continue. As COVID-19 continues to spread, the potential impacts including a global, regional or other economic recession are increasingly uncertain and difficult to assess.

The outbreak of COVID-19 and the resulting financial and economic market uncertainty has been considered by the Directors, including determining the going concern status of the Group and of the Company. The liquidity and solvency position of the Group and of the Company at the date of signing remains good, and is expected to do so in the future. The Group could choose not to repatriate excess cashflow up the holding structure to SL Capital Infrastructure I LP if liquidity was low, as outlined in note 2.4.

Notes to the Consolidated Financial Statements (continued)

27. Subsequent events (continued)

The Directors have also considered whether there has been a significant adverse impact on the carrying value of goodwill and other intangible assets. The most significant conditions relating to COVID-19 arose after the reporting period and as a result the Directors consider the emergence of the COVID-19 Coronavirus pandemic to be a non-adjusting post balance sheet event. It is note that despite unfavourable movement on some inputs to the valuation model such as inflation measures, there have been offsetting movements on other inputs such as interest rates on refinancing. A key factor is that the majority of revenue is derived from fixed long-term take-or-pay contracts. No impact to the carrying value of goodwill and other intangible assets has been identified.

No matter or circumstance has therefore arisen since 31 December 2019 that has significantly affected, or may significantly affect the Group's or the Company’s operations, the results of those operations or the Group's or the Company’s state of affairs in future financial years.