

**Strategic Report,  
Report of the Directors and  
Financial Statements  
for the Year Ended 31 December 2020  
for  
Amber Infrastructure Limited**

WEDNESDAY



\*AAFYS67F\*

A23

27/10/2021

#198

COMPANIES HOUSE

**Contents of the Financial Statements  
for the year ended 31 December 2020**

|                                          | <b>Page</b>     |
|------------------------------------------|-----------------|
| <b>Company Information</b>               | <b>1</b>        |
| <b>Strategic Report</b>                  | <b>2 to 3</b>   |
| <b>Report of the Directors</b>           | <b>4 to 5</b>   |
| <b>Independent Auditor's Report</b>      | <b>6 to 7</b>   |
| <b>Statement of Comprehensive Income</b> | <b>8</b>        |
| <b>Statement of Financial Position</b>   | <b>9</b>        |
| <b>Statement of Changes in Equity</b>    | <b>10</b>       |
| <b>Notes to the Financial Statements</b> | <b>11 to 18</b> |

**Amber Infrastructure Limited**

**Company Information  
for the year ended 31 December 2020**

**DIRECTORS:**

H L Blaney  
A J Finch  
G J Frost  
M J Gregory  
G R Tait  
Ms A E Woods

**SECRETARY:**

Ms A E Woods

**REGISTERED OFFICE:**

3 More London Riverside  
London  
SE1 2AQ

**REGISTERED NUMBER:**

06818708 (England and Wales)

**SENIOR STATUTORY AUDITOR:**

Claire Johnson

**AUDITOR:**

Ernst & Young LLP  
Statutory Auditor  
London

**Strategic Report  
for the year ended 31 December 2020**

The directors present their strategic report for the year ended 31 December 2020.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the financial statements which comprise the Statement of Comprehensive Income on page 8 and the Statement of Financial Position on page 9. There were no business activities outside of the ordinary course of business for the company.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company's results are dependent upon the underlying performance of other members of the Amber group of companies, including the ability of group companies to continue to generate sufficient income to cover group costs including those of Amber Infrastructure Limited.

The group's results and therefore the company's results would be affected by the impact on changes to management and advisory fee income and profit share returns from changes in the underlying performance of the funds operated and advised by members of the group, the most significant being International Public Partnerships Limited ('INPP'). INPP's performance may be affected by external market events that impact on the value of its investments, for example changes in long-term gilt interest rates, foreign exchange rates and inflation rates or from changes in the underlying performance and development of the fund's investments, or due to political or regulatory risk affecting investment returns, or due to the risk of legal challenge or claim and any consequential reputational impact, amongst others. However, to date fund performance has been robust with a long-term track record of delivering growth in dividends and net asset value.

The global pandemic coronavirus Covid-19 caused uncertainty and disruption to the economy throughout 2020 and into 2021. Financial forecasts have been prepared and submitted to members of the Board for review. Any effect of the global pandemic has been taken into account when preparing the financial forecast. The Board considers the company is in a strong position financially and structurally, with its income derived directly (or indirectly via other Amber group entities) from long-term contracts with managed funds that themselves generate cashflows that are largely underpinned by public sector counterparties.

**FUTURE DEVELOPMENTS**

The directors are not aware of any current activities of the company that are expected to impact the future development of the company in the foreseeable future on the basis that the Amber group continues to benefit from long-term contractual agreements for the provision of fund management and asset management services.

**SECTION 172(1) STATEMENT**

The following disclosure describes how the directors have regard to the matters set out in section 172(1)(a)-(f) and forms the directors statement required under section 414CZA of the Companies Act 2006. Certain decisions effecting the company have been taken at the parent company level on behalf of the group and the reader is referred to the Strategic Report of Amber Infrastructure Group Holdings Limited for further details.

*Directors' duties*

The directors of the Board fulfil their duties in part through a governance framework that includes delegation of certain day-to-day decision making to senior employees, principally members of the Amber Executive Committee and various Investment Committees dedicated to the business's mandates. The Board is responsible for setting the strategy and ensuring the necessary resources are available for long term sustainable success. The Board monitors management and financial performance against the Group's objectives. To enable it to do this, the Board receives updates on financial matters on at least a quarterly basis. The Board meets sufficiently frequently to discharge its duties and holds additional meetings when required, for example to review specific investment proposals. The Board also considers at least annually whether a dividend should be paid from surplus capital.

*Engaging with employees*

Being a relatively small company of just over 100 employees largely operating in one location, there is a high level of visibility regarding employee engagement and satisfaction. However, with the transition to mass remote working as a result of the Covid-19 restrictions, the Board, acting through the Amber Executive Committee, implemented several critical changes to ensure employee engagement and satisfaction were maintained in the new working environment.

Throughout the lockdown restrictions, the Board issued regular communications to staff to ensure they understood the latest information and guidance regarding Covid-19. Utilising Amber's existing IT infrastructure, all staff were able to transition to remote working with no business interruption and minimal operational impact for staff. In addition to our annual appraisal process, line managers were also encouraged to engage in more informal regular discussions with employees to understand their drivers, development needs, concerns and to help build trust between the manager and team. A new business magazine was launched to keep all staff up to date on the latest business and industry news and to provide them with critical information and tips regarding mental health, staff benefits and working practices. Several staff pulse surveys were also carried out to understand employees needs and satisfaction at various points of the year. Directly as a result of these surveys, several new initiatives were introduced including the establishment of a formal virtual learning and development programme.

**Strategic Report  
for the year ended 31 December 2020**

**SECTION 172(1) STATEMENT (continued)**

*Culture and Environment*

The Board feels that integrating environmental, social and governance (ESG) considerations into the Group's investments is of paramount importance and value is placed on the significance of managing the company itself in a sustainable way. Consideration of ESG drivers continued to be an essential part of how the company assesses the long-term viability of the investments proposed to other members of the Group (and indirectly under fund advisory mandates) and associated asset management strategies.

In 2020 the business published its inaugural Sustainability Report, publicly available on the website, which sets out how ESG is incorporated into the business's governance and business strategy, investment integration and corporate culture. In addition, the Group's position on streamlined energy and carbon reporting can be found within the corporate culture section of this Sustainability Report.

*Business relationships*

The company is committed to acting ethically and with integrity in all business dealings and relationships. Fostering business relationships with key stakeholders and suppliers is important to the company's success and many of the key-suppliers are engaged on multi-year contracts.

Senior staff meet with certain suppliers that are key to the business to discuss feedback and to determine how well the relationship is operating. The company is a signatory on the Prompt Payment Code.

The company looks to implement and enforce effective systems and controls to ensure its supply chains are maintaining the highest standard of business conduct in line with best practice including in relation to anti-bribery and modern slavery. The Board approves the Modern Slavery Statement annually and work closely with our suppliers and peers to build on our knowledge and promote best practice.

*Our response to Covid-19*

While Covid-19 has had a significant impact upon consumers, businesses and the economy, our strong operational resilience has allowed the company to continue to operate effectively during this time. The Directors believed the best way to support communities and maintain the business's role as a responsible investors and manager, was to (i) focus on the business's strengths, (ii) operate in line with investor expectations, and (iii) be flexible within the boundaries of agreed contracts. The following key activities summarise this approach:

- **Close engagement with public sector clients.** The business's public sector clients have been determining how to support their communities and given our role as fund and asset managers we play an active role in helping them develop solutions. This means working with the company's clients to support the concession and investment entities to serve their communities most productively.
- **Maintaining supply chain liquidity.** Public policy measures put in place to contain the spread of Covid-19 are resulting in significant operational disruption for many companies. Given the continuing demand for services, and promptly paying suppliers, the company is helping to keep the economy going.
- **Keeping employees/contractors safe and financially secure.** By keeping services running for the company's public sector clients, we have kept people employed and reduced dependence on the Government's furlough scheme. However – it is vitally important that all employees/contractors are operating in a safe environment and the appropriate risk assessments are in place to support this.
- **Supporting requests for financial aid.** The UN-backed Principles for Responsible Investment (UN PRI) is encouraging investors to be open to assisting companies, debtors and governments with flexibility in financial arrangements and with more direct support where feasible.
- **Supporting investment-led initiatives.** The company's more substantial operating company investments are well placed to provide direct support to communities that they influence. Amber, through the board representation, have fully supported the initiatives identified by those businesses.

**ON BEHALF OF THE BOARD:**



.....  
G J Frost - Director

Date: 01 October 2021

**Report of the Directors  
for the year ended 31 December 2020**

The directors present their report with the financial statements of Amber Infrastructure Limited ("the company") for the year ended 31 December 2020.

For information regarding the company's business relationships, please see the Section 172(1) Statement in the Strategic Report. The decisions referred to therein include those which had a material impact on our key stakeholder groups.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of an operating company that is part of a wider group, ("Amber Group") involved in the provision of financial advisory, development, structuring, and asset and fund management services within the infrastructure sector.

**DIVIDENDS**

The profit for the financial year of £8.7m (2019: £3.8m) has been transferred to reserves. The directors paid a dividend of £35m (2019: £10m).

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**GOING CONCERN**

The company's activities, together with the factors likely to affect its future development, performance and position are noted in the Strategic Report.

The company continues to benefit from long-term contractual agreements for the provision of services to other group members that themselves benefit from long-term contracts for the provision of fund and asset management services. Financial forecasts have been prepared to 31 December 2022 and submitted to members of the Board for review setting out in detail the extent and diversity of the company's contracted revenues; the current available liquidity of the company; the low levels of committed cash outflows; the level of external debt; and the ability of the company to mitigate reductions in cash inflows. These forecasts were made after applying stress test assumptions in light of the market disruption caused by the global pandemic Covid-19. Based on the information contained in these forecasts and after making enquiries the directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future (being for a period to 31 December 2022 which is more than 12 months from the date of this report). As a result, the directors continue to adopt the going concern basis in preparing the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

H L Blaney  
A J Finch  
G J Frost  
M J Gregory  
G R Tait  
Ms A E Woods

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these 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 applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Amber Infrastructure Limited (Registered number: 06818708)**

**Report of the Directors (continued)  
for the year ended 31 December 2020**

**STATEMENT AS TO DIRECTOR ENGAGEMENT**

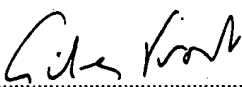
Please refer to the Strategic Report in the following respects:

- See the paragraph entitled *Business relationships* in relation to how the directors have engaged with suppliers, customers and others in a business relationship with the company
- See the paragraph entitled *Engaging with employees* in relation to how the directors have engaged with employees and have regards to their interests

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**ON BEHALF OF THE BOARD:**

  
.....  
G J Frost - Director

Date: 01 October 2021

## **Independent Auditor's Report to the Members of Amber Infrastructure Limited**

### **Opinion**

We have audited the financial statements of Amber Infrastructure Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 19, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 15 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

### **Other information**

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

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.

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 course of 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 themselves. 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 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 Members of Amber Infrastructure Limited (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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

### ***Explanation as to what extent the audit was considered capable of detecting irregularities including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom.
- We understood how the company is complying with those frameworks by making enquiries of management to understand how the company maintains and communicates its policies and procedures in these areas, and corroborated this by reviewing supporting documentation including the Amber Infrastructure Group's Employee Handbook and Risk Management Policy. We also reviewed correspondence with relevant authorities.
- In addition to the above, based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved: inquiries of management (and where applicable those charged with governance), review of Board minutes; and obtaining written representations.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming revenue recognition to be a fraud risk. We performed the following procedures to support our understanding: meeting with management to understand where they considered there was susceptibility to fraud; determining which account balances are subjective in nature; understanding the company's key performance indicators and considering the processes and controls which the company has established to prevent and detect fraud, and how those controls are monitored.
- Where the risk was considered higher, we performed audit procedures to address each identified fraud risk or other risk of material misstatement. In addition, we incorporated data analytics into our testing of manual journals. We tested journals identified by specific risk criteria back to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://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.

*Ernst & Young LLP*

Claire Johnson (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
Statutory Auditor  
London

Date: 6 October 2021

**Amber Infrastructure Limited (Registered number: 06818708)**

**Statement of Comprehensive Income  
for the year ended 31 December 2020**

|                                                             | Notes | 2020<br>£'000       | 2019<br>£'000       |
|-------------------------------------------------------------|-------|---------------------|---------------------|
| <b>TURNOVER</b>                                             |       | <b>41,027</b>       | <b>39,787</b>       |
| Administrative expenses                                     |       | <u>(33,169)</u>     | <u>(37,748)</u>     |
|                                                             |       | 7,858               | 2,039               |
| Other operating income                                      |       | <u>46</u>           | <u>48</u>           |
| <b>OPERATING PROFIT</b>                                     | 4     | <b>7,904</b>        | <b>2,087</b>        |
| Gain on investment at fair value through<br>profit and loss | 10    | 272                 | 1,088               |
| Income from current asset investments                       |       | 582                 | 567                 |
| Interest receivable and similar income                      |       | <u>123</u>          | <u>287</u>          |
|                                                             |       | 8,881               | 4,029               |
| Interest payable and similar expenses                       | 5     | <u>(27)</u>         | <u>-</u>            |
| <b>PROFIT BEFORE TAXATION</b>                               |       | <b>8,854</b>        | <b>4,029</b>        |
| Tax on profit                                               | 6     | <u>(68)</u>         | <u>(166)</u>        |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                        |       | <b>8,786</b>        | <b>3,863</b>        |
| <b>OTHER COMPREHENSIVE INCOME</b>                           |       | <u>-</u>            | <u>-</u>            |
| <b>TOTAL COMPREHENSIVE INCOME FOR<br/>THE YEAR</b>          |       | <b><u>8,786</u></b> | <b><u>3,863</u></b> |

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

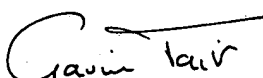
**Amber Infrastructure Limited (Registered number: 06818708)**

**Statement of Financial Position  
31 December 2020**

|                                              | Notes | 2020<br>£'000   | 2019<br>£'000   |
|----------------------------------------------|-------|-----------------|-----------------|
| <b>FIXED ASSETS</b>                          |       |                 |                 |
| Tangible assets                              | 8     | 258             | 492             |
| <b>CURRENT ASSETS</b>                        |       |                 |                 |
| Debtors: Amounts due falling within one year | 9     | 16,272          | 14,566          |
| Current asset investments                    | 10    | 13,620          | 13,348          |
| Cash at bank and in hand                     |       | <u>31,630</u>   | <u>53,663</u>   |
|                                              |       | 61,522          | 81,577          |
| <b>CREDITORS</b>                             |       |                 |                 |
| Amounts falling due within one year          | 11    | <u>(21,192)</u> | <u>(17,369)</u> |
| <b>NET CURRENT ASSETS</b>                    |       | <u>40,330</u>   | <u>64,208</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 40,588          | 64,700          |
| <b>PROVISIONS FOR LIABILITIES</b>            | 13    | <u>(1,211)</u>  | <u>(311)</u>    |
| <b>NET ASSETS</b>                            |       | <u>39,377</u>   | <u>64,389</u>   |
| <b>CAPITAL AND RESERVES</b>                  |       |                 |                 |
| Called up share capital                      | 14    | -               | -               |
| Retained earnings                            | 15    | <u>39,377</u>   | <u>64,389</u>   |
| <b>SHAREHOLDER'S FUNDS</b>                   |       | <u>39,377</u>   | <u>64,389</u>   |

The financial statements were approved by the Board of Directors and authorised for issue on 01 October 2021 and were signed on its behalf by:

  
.....  
G J Frost - Director

  
.....  
G R Tait - Director

Amber Infrastructure Limited (Registered number: 06818708)

**Statement of Changes in Equity  
for the year ended 31 December 2020**

|                                    | <b>Called up<br/>Share capital<br/>£'000</b> | <b>Retained<br/>earnings<br/>£'000</b> | <b>Total<br/>equity<br/>£'000</b> |
|------------------------------------|----------------------------------------------|----------------------------------------|-----------------------------------|
| <b>Balance at 1 January 2019</b>   | -                                            | 68,542                                 | 68,542                            |
| <b>Changes in equity</b>           |                                              |                                        |                                   |
| Dividends                          | -                                            | (10,000)                               | (10,000)                          |
| Total comprehensive income         | -                                            | 3,863                                  | 3,863                             |
| Share based payment                | -                                            | <u>1,984</u>                           | <u>1,984</u>                      |
| <b>Balance at 31 December 2019</b> | -                                            | <u>64,389</u>                          | <u>64,389</u>                     |
| <b>Changes in equity</b>           |                                              |                                        |                                   |
| Dividends (note 7)                 | -                                            | (35,000)                               | (35,000)                          |
| Total comprehensive income         | -                                            | 8,786                                  | 8,786                             |
| Share based payment (note 17)      | -                                            | <u>1,202</u>                           | <u>1,202</u>                      |
| <b>Balance at 31 December 2020</b> | -                                            | <u>39,377</u>                          | <u>39,377</u>                     |

The notes form part of these financial statements

**Notes to the Financial Statements  
for the year ended 31 December 2020**

**1. STATUTORY INFORMATION**

Amber Infrastructure Limited is a private company, limited by shares, registered in England and Wales. The Registered Office is 3 More London Riverside, London, SE1 2AQ.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared under the historical cost convention and in accordance with UK Accounting Standards, and are presented in pound sterling which is the presentational and functional currency of the company. Amounts are presented to the nearest thousands (£'000's).

**Statement of compliance**

The financial statements have been prepared in compliance with FRS 102 and the Companies Act 2006 for the year ended 31 December 2020.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

**Going concern**

The company continues to benefit from long-term contractual agreements for the provision of services to other group members that themselves benefit from long-term contracts for the provision of fund and asset management services. Financial forecasts have been prepared to 31 December 2022 and submitted to members of the Board for review setting out in detail the extent and diversity of the company's contracted revenues; the current available liquidity of the company; the low levels of committed cash outflows; the level of external debt; and the ability of the company to mitigate reductions in cash inflows. These forecasts were made after applying stress test assumptions in light of the market disruption caused by the global pandemic Covid-19. Based on the information contained in these forecasts and after making enquiries the directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future (being for a period to 31 December 2022 which is more than 12 months from the date of this report). As a result, the directors continue to adopt the going concern basis in preparing the financial statements.

**Turnover**

Turnover represents fees, excluding value added tax, received for undertaking its principal activity and are recognised when the company obtains the right for consideration in exchange for its performance of services. Turnover represents activity predominantly in the UK. Turnover is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

**Interest receivable and similar items**

Interest income is recognised as accrued using the effective interest rate method.

**Dividends**

Dividends are recognised when the company's rights to receive dividends is established.

**Foreign currencies**

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is provided over the life of the contract to write off the cost less the estimated residual value of each asset over its expected useful economic life as follows:

- Office Furniture & Fittings - over 4 years
- Computer Equipment - over 4 years
- Short leasehold - over the term of the lease (9 years and 3 months)

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

2. ACCOUNTING POLICIES - continued

**Taxation**

Current tax, including United Kingdom corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the statement of financial position date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date. Timing differences are differences between the company's taxable profits and its results stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only when, after consideration of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantially enacted by the statement of financial position date. Deferred tax assets are not discounted.

**Short term debtors and creditors**

Debtors and creditors with no stated interest rate and receivables or payables within one year are recorded at the transaction price.

**Current asset investments**

Current asset investment represents listed and unlisted shares held at fair value.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less.

**Operating leases**

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term. The value of any rent-free periods are amortised over the life of the lease.

**Pension costs**

Contributions are made by Amber Infrastructure Limited to a defined contribution scheme for all employees (unless opted out), in accordance with the Pensions Act 2008. Employer contributions are made based on Qualifying Earnings and contribution percentage based on statutory requirements, currently 3%. These are recognised in the profit and loss account in the month they are payable.

Contributions to all pension schemes are recognised in the profit and loss account in the year they become payable.

**Share-based payments**

*Equity-settled transactions*

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments granted at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by the Directors using an appropriate pricing methodology. In valuing equity-settled transactions, no account is taken of any conditions, other than conditions linked to the price of the shares of the company (market conditions) and non-vesting conditions. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance conditions are satisfied.

Awards are granted in the shares of Amber Infrastructure Group Holdings Limited.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

**Judgements and estimates**

Judgements and estimates have been used when evaluating the need to recognise and disclose any provisions or contingent liabilities in the financial statements. The obligation of the company has been reviewed along with the probability that a transfer of economic benefit will be required to settle the obligation, and the outflow of funds can be estimated reliably.

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

3. STAFF COSTS

|                       | 2020          | 2019          |
|-----------------------|---------------|---------------|
|                       | £'000         | £'000         |
| Wages and salaries    | 22,581        | 19,137        |
| Social security costs | 2,896         | 2,497         |
| Other pension costs   | <u>130</u>    | <u>115</u>    |
|                       | <u>25,607</u> | <u>21,749</u> |

Included in wages and salaries is a total expense of share-based payments of £1,202k (2019: £1,984k) all of which arises from transactions accounted for as equity settled share-based payment transactions.

The average number of employees during the year was as follows:

|           | 2020       | 2019       |
|-----------|------------|------------|
| Employees | 102        | 99         |
| Directors | <u>6</u>   | <u>6</u>   |
|           | <u>108</u> | <u>105</u> |

|                         | 2020         | 2019         |
|-------------------------|--------------|--------------|
|                         | £'000        | £'000        |
| Directors' remuneration | <u>7,741</u> | <u>6,139</u> |

|                                                  | 2020     | 2019     |
|--------------------------------------------------|----------|----------|
| Number of directors accruing retirement benefits | <u>4</u> | <u>4</u> |

Information regarding highest paid director is as follows:

|              | 2020         | 2019         |
|--------------|--------------|--------------|
|              | £'000        | £'000        |
| Remuneration | <u>2,005</u> | <u>1,560</u> |

4. OPERATING PROFIT

The operating profit is stated after charging:

|                                                                              | 2020       | 2019       |
|------------------------------------------------------------------------------|------------|------------|
|                                                                              | £'000      | £'000      |
| Depreciation - owned assets                                                  | 281        | 296        |
| Other pension costs                                                          | 130        | 115        |
| Auditors' remuneration                                                       |            |            |
| - audit of the company's financial statements                                | 18         | 10         |
| - audit of financial statements (paid on behalf of the other group entities) | 165        | 103        |
| - taxation advisory fees (paid on behalf of the other group entities)        | 20         | 20         |
| Share-based payments                                                         | 1,202      | 1,984      |
| Operating lease costs                                                        | <u>794</u> | <u>789</u> |

5. INTEREST PAYABLE AND SIMILAR EXPENSES

|                        | 2020      | 2019     |
|------------------------|-----------|----------|
|                        | £'000     | £'000    |
| Other interest payable | <u>27</u> | <u>-</u> |

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

6. TAXATION

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

|                                                | 2020<br>£'000 | 2019<br>£'000 |
|------------------------------------------------|---------------|---------------|
| Deferred tax                                   |               |               |
| Originating and reversal of timing differences | <u>68</u>     | <u>166</u>    |
| Tax on profit                                  | <u>68</u>     | <u>166</u>    |

UK corporation tax has been charged at 19% (2019 - 19%).

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

|                                                                                         | 2020<br>£'000 | 2019<br>£'000 |
|-----------------------------------------------------------------------------------------|---------------|---------------|
| Profit before tax                                                                       | <u>8,854</u>  | <u>4,029</u>  |
| Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%) | 1,682         | 765           |
| Effects of:                                                                             |               |               |
| Expenses not deductible for tax purposes                                                | 16            | 25            |
| Expenses not deductible for tax purposes - Share Trust contribution                     | 228           | 377           |
| Expenses not deductible for tax purposes - Contribution gift                            | 19            | 1,579         |
| Group relief received for nil payment                                                   | (1,803)       | (2,453)       |
| Exempt dividend income                                                                  | (111)         | (108)         |
| Reduction in future tax rates                                                           | <u>37</u>     | <u>(19)</u>   |
| Total tax charge                                                                        | <u>68</u>     | <u>166</u>    |

**Factors that may affect future tax charges**

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. An increase in the UK corporation tax rate from 17% to 19% (effective from 1 April 2020) was substantively enacted on 17 March 2020. The deferred tax liability as at 31 December 2020 has been calculated upon the substantively enacted rate of 19% (2019: 17%). An increase in the UK corporation tax rate from 19% to 25% for companies with taxable profits in excess of £250,000 (effective 1 April 2023) was substantively enacted on 24 May 2021. This rate increase will have a consequential effect on the company's future tax charge.

**Deferred tax**

Deferred tax represents timing differences in respect of accelerated capital allowances and investments recognised at fair value.

7. DIVIDENDS

|                                               | 2020<br>£'000 | 2019<br>£'000 |
|-----------------------------------------------|---------------|---------------|
| Final dividend at £35m per share (2019: £10m) | <u>35,000</u> | <u>10,000</u> |

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

8. TANGIBLE FIXED ASSETS

|                       | Short<br>leasehold<br>£'000 | Office<br>Furniture<br>& Fittings<br>£'000 | Computer<br>equipment<br>£'000 | Totals<br>£'000 |
|-----------------------|-----------------------------|--------------------------------------------|--------------------------------|-----------------|
| <b>COST</b>           |                             |                                            |                                |                 |
| At 1 January 2020     | 85                          | 807                                        | 682                            | 1,574           |
| Additions             | -                           | 10                                         | 37                             | 47              |
| At 31 December 2020   | <u>85</u>                   | <u>817</u>                                 | <u>719</u>                     | <u>1,621</u>    |
| <b>DEPRECIATION</b>   |                             |                                            |                                |                 |
| At 1 January 2020     | 25                          | 503                                        | 554                            | 1,082           |
| Charge for year       | 9                           | 202                                        | 70                             | 281             |
| At 31 December 2020   | <u>34</u>                   | <u>705</u>                                 | <u>624</u>                     | <u>1,363</u>    |
| <b>NET BOOK VALUE</b> |                             |                                            |                                |                 |
| At 31 December 2020   | <u>51</u>                   | <u>112</u>                                 | <u>95</u>                      | <u>258</u>      |
| At 31 December 2019   | <u>60</u>                   | <u>304</u>                                 | <u>128</u>                     | <u>492</u>      |

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | 2020<br>£'000 | 2019<br>£'000 |
|------------------------------------|---------------|---------------|
| Trade debtors                      | 341           | 154           |
| Amounts owed by group undertakings | 12,359        | 10,039        |
| Other Receivable                   | 1,407         | 1,389         |
| Corporation Tax                    | 59            | 59            |
| VAT                                | 204           | 337           |
| Prepayments and accrued income     | <u>1,902</u>  | <u>2,588</u>  |
|                                    | <u>16,272</u> | <u>14,566</u> |

Amounts owed by group undertakings are non-interest bearing and repayable on demand. At September 2021, £644k remains unpaid and will be settled by the end of the year.

10. CURRENT ASSET INVESTMENTS

|                                           | £'000                |
|-------------------------------------------|----------------------|
| <b>Listed</b>                             |                      |
| At 1 January 2019                         | 12,260               |
| Fair value adjustment                     | <u>1,088</u>         |
| At 31 December 2019                       | 13,348               |
| Fair value adjustment                     | <u>272</u>           |
| <b>At 31 December 2020</b>                | <u><b>13,620</b></u> |
| <b>Amounts provided</b>                   |                      |
| <b>Net book value at 31 December 2020</b> | <u><b>13,620</b></u> |
| Net book value at 31 December 2019        | <u>13,348</u>        |

Shares are held in International Public Partnerships Limited Partnership, an entity listed on the London Stock Exchange.

The share price at 31 December 2020 was 170.2 pence per share (31 December 2019 was 166.8 pence per share).

The number of shares held during the year and at the end of the year was 8,002,379 (2019: 8,002,379).

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | 2020          | 2019          |
|------------------------------------|---------------|---------------|
|                                    | £'000         | £'000         |
| Trade creditors                    | 224           | 432           |
| Amounts owed to group undertakings | 4,419         | 4,419         |
| Social security and other taxes    | 2,005         | 1,557         |
| Other creditors                    | 12,264        | 9,069         |
| Accruals and deferred income       | <u>2,280</u>  | <u>1,892</u>  |
|                                    | <u>21,192</u> | <u>17,369</u> |

12. OPERATING LEASE

Future minimum lease payments due under non-cancellable operating leases are as follows:

Land and buildings

|                      | 2020         | 2019         |
|----------------------|--------------|--------------|
|                      | £'000        | £'000        |
| Amounts payable:     |              |              |
| Within one year      | 683          | 683          |
| In two to five years | 2,734        | 2,734        |
| More than five years | <u>403</u>   | <u>1,088</u> |
|                      | <u>3,820</u> | <u>4,505</u> |

Operating lease represents the building lease at 3 More London Riverside for a term of 9 years and 3 months, commencing 4 May 2017. Within the lease there is an option to terminate on 4 May 2023. Lease payments recognised as an expense during the year amounted to £794k.

13. PROVISIONS FOR LIABILITIES

|                  | 2020         | 2019       |
|------------------|--------------|------------|
|                  | £'000        | £'000      |
| Deferred tax     | 378          | 311        |
| Other provisions | <u>833</u>   | <u>-</u>   |
|                  | <u>1,211</u> | <u>311</u> |

Deferred tax

|                           | £'000     |
|---------------------------|-----------|
| Balance at 1 January 2020 | 311       |
| Provided during year      | 31        |
| UK rate change            | <u>36</u> |

Balance at 31 December 2020 378

Deferred tax represents:

|                    |            |
|--------------------|------------|
| Timing differences | <u>378</u> |
|--------------------|------------|

Balance at 31 December 2020 378

A deferred tax asset of £3,240k (2019: £2,677k) has not been recognised in respect of contributions made by the company to the Amber 2011 Share Trust ("the Trust"). This asset will be recoverable in future periods if the Trust makes an award out of the contributions to employees of the company. However, as at the 31 December 2020, the directors do not believe that such an award is more likely than not and accordingly a deferred tax asset has not been recognised.

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

13. PROVISIONS FOR LIABILITIES - continued

|                             |              |
|-----------------------------|--------------|
| <b>Other provisions</b>     | <b>£'000</b> |
| Balance at 1 January 2020   | -            |
| Provided during year        | <u>833</u>   |
| Balance at 31 December 2020 | <u>833</u>   |

The increase in other provisions represents a probable outflow of funds to settle ongoing matters.

14. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: |          | Nominal<br>value: | 2020                 | 2019                 |
|----------------------------------|----------|-------------------|----------------------|----------------------|
| Number:                          | Class:   |                   |                      |                      |
| 1                                | Ordinary | 1                 | <u>£</u><br><u>1</u> | <u>£</u><br><u>1</u> |

15. RESERVES

|                     | Retained<br>earnings<br>£'000 |
|---------------------|-------------------------------|
| At 1 January 2020   | 64,389                        |
| Profit for the year | 8,722                         |
| Dividends           | (35,000)                      |
| Share-based payment | <u>1,202</u>                  |
| At 31 December 2020 | <u>39,313</u>                 |

16. RELATED PARTY DISCLOSURES

**Transaction with joint venture**

The company provides services to joint ventures interests.

During the year, the company paid the following fees in respect of fee sharing agreements:

|                                       | 2020         | 2019         |
|---------------------------------------|--------------|--------------|
|                                       | £'000        | £'000        |
| Transmission Capital Services Limited | <u>1,256</u> | <u>1,065</u> |

As at the year end £589k (2019: £501k) remains outstanding and is included within accruals and deferred income.

During the year, the company received the following fees in respect of service supply agreements:

|                                       | 2020       | 2019       |
|---------------------------------------|------------|------------|
|                                       | £'000      | £'000      |
| Transmission Capital Services Limited | <u>386</u> | <u>376</u> |

As at the year end £32k (2019: £32k) remains outstanding and is included within prepayments and accrued income.

During the year, the company received the following fees in respect of business service agreements:

|                                       | 2020      | 2019      |
|---------------------------------------|-----------|-----------|
|                                       | £'000     | £'000     |
| Transmission Capital Services Limited | <u>35</u> | <u>34</u> |

As at the year end £9k (2019: £9k) remains outstanding and is included within accrued income.

During the year, the company received £3k (2019: £3k) in respect of business support services with Ambrite Lift Holdings Limited where four directors have a common interest.

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

16. RELATED PARTY DISCLOSURES - continued

**Loans with directors**

During the year, the directors were loaned £Nil (2019: £411k) in respect of employment taxes in relation to the issuance of shares under the share-based payment plan.

The total loans outstanding at 31 December 2020 is £1,120k (2019 £1,090k). All loans are interest bearing at rates between 2.5% and 4% annum. These loans are only repayable from the proceeds of the sale of beneficial interests held in the Amber Infrastructure Group Holdings Limited upon a market exit event, in accordance with the Amber 2011 long-term incentive plan.

17. SHARE-BASED PAYMENTS

*Share based payment plan*

Under the Amber 2011 Share Trust ("the Trust") EBT scheme, the Trust holds shares in Amber Infrastructure Group Holdings Limited jointly with qualifying employee beneficiaries. As at 1 January 2020, the company had granted 14,532,516 shares to the trust.

At the end of the year the cumulative number of shares jointly held are 14,532,516 (2019:14,532,516) at an average weighted grant price of £0.20 (2019: £0.20).

The fair value of the equity-settled rights are measured at the grant date using the Black-Scholes model. The services received and a liability to pay for those services are recognised over the expected vesting period. The shares vest if the employee remains in service for a period of four years from the date of grant. If an employee ceases service of employment, subject to a narrow set of exceptions, during four years from the date of grant, the beneficiaries rights lapse. No rights lapsed during the year.

The expense recognised for equity settled share-based payments in respect of employee services received during the year to 31 December 2020 is £1,202k (2019: £1,984k).

18. ULTIMATE CONTROLLING PARTY

The directors regard Amber Infrastructure Group Limited, an English Limited Company, as the immediate parent company and Hunt Companies Inc., a Delaware LLC as the ultimate controlling party.

Amber Infrastructure Group Holdings Limited is the parent undertaking of the smallest group of companies that produces consolidated accounts that are publicly available. Hunt Amber Holdings US, LLC is the highest level parent entity that produces consolidated accounts that are publicly available and can be obtained from Hunt Amber Holdings US, LLC's registered office, 1675 S. State Street, Suite B, Dover, Delaware 19901, USA.

19. POST BALANCE SHEET EVENTS

Since the balance sheet date, the Amber Group has entered into a senior revolving debt facility with RBSi for the purpose of assisting it with the funding of further business investments and acquisitions. Amber Infrastructure Limited is providing a guarantee for amounts owing under the facility entered into by a related Amber group entity.

In March 2021, Amber Infrastructure Limited executed an amendment to an existing agreement with Amber Fund Management Limited through which the company will pass most of its revenue to Amber Infrastructure Limited, retaining only a margin for costs. This was effective from 1 January 2021. The term of the agreement was also extended, to 30 September 2028.

On 25 March 2021 the company paid a dividend of £12,000,000 to its parent company, Amber Infrastructure Group Limited.