

Company registration number SC209010 (Scotland)

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

COMPANY INFORMATION

Directors	John Cavill Carl Dix
Secretary	Infrastructure Managers Limited
Company number	SC209010
Registered office	2nd Floor, Drum Suite Saltire Court 20 Castle Terrace Edinburgh EH1 2EN
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants & Statutory Auditors Atria One 144 Morrison Street Edinburgh EH3 8EX
Bankers	Bank of Scotland plc 155 Bishopsgate London EC2M 3UB

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

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ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and the financial statements of Robertson Education (Aberdeenshire) Holdings Limited ("the Company") for the year ended 31 December 2023.

Principal activities

The Company acts as a holding company to Robertson Education (Aberdeenshire) Limited. The principal activity of this Company is the finance, operation and maintenance of schools in Aberdeenshire for Aberdeenshire Council under the Governments Private Financial Initiative scheme.

Results and dividends

The results for the year are set out on page 8.

The profit for the financial year, after taxation, amounted to £626,854 (2022: profit of £374,539).

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

Ordinary dividends were paid amounting to £626,854 (2022: £374,539). The directors do not recommend payment of a further dividend.

Directors

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

John Cavill

Carl Dix

Peter Sheldrake

(Appointed 31 January 2023)

(Resigned 31 January 2023)

Qualifying third party indemnity provisions

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

Auditors

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

Statement of disclosure to auditors

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Key performance indicators

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

Climate change

The directors recognise that it is important to disclose their view of the impact of climate change on the company. As a holding company, the company itself does not trade. The company's indirect subsidiaries key operational contracts are long-term and with a small number of known counterparties. In most cases, the cashflows from these contracts can be predicted with reasonable certainty for at least the medium-term. Having considered the operations, their contracted rights and obligations and forecast cash flows, there is not expected to be a significant impact upon the operational or financial performance arising from climate change.

Going concern

These financial statements have been prepared on the going concern basis for the reasons set out in the Accounting Policies.

Small companies exemption

This report has been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006. Exemption has also been taken from the requirement to prepare a Strategic Report.

This report was approved by the board of directors on 25 April 2024 and signed by order of the board by:



Mike Forrest

For and on behalf of Infrastructure Managers Limited

Secretary

25 April 2024

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors are responsible for preparing the annual report 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

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.

The financial statements were approved and signed by the director and authorised for issue on 25 April 2024



Carl Dix
Director

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2023

Report on the Audit of the Financial Statements

Opinion

In our opinion, Robertson Education (Aberdeenshire) Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2023; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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 at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2023

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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

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

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the directors' report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2023

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non compliance with laws and regulations related to Companies Act 2006 and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries and the risk of management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management around known or suspected instances of non-compliance with laws and regulations, claims and litigation, and instances of fraud;
- Understanding of management's controls designed to prevent and detect irregularities;
- Review of board minutes;
- Challenging management on assumptions and judgements made in their significant accounting estimates; and
- Identifying and testing journal entries to assess whether any of the journals appeared unusual, for example impacting distributable reserves.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2023

Entitlement to exemptions

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



Paul Cheshire (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Edinburgh

25 April 2024

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
Interest receivable and similar income	5	922,354	670,039
Interest payable and similar expenses	6	(295,500)	(295,500)
Profit before taxation		<u>626,854</u>	<u>374,539</u>
Tax on profit	7	-	-
Profit for the financial year		<u><u>626,854</u></u>	<u><u>374,539</u></u>

This income statement has been prepared on the basis that all operations are continuing operations.

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	9		100,000		100,000
Current assets					
Debtors: amounts falling due within one year	11	62,324		62,324	
Debtors: amounts falling due after one year	11	2,110,238		2,110,238	
		<u>2,172,562</u>		<u>2,172,562</u>	
Creditors: amounts falling due within one year	12	<u>(62,324)</u>		<u>(62,324)</u>	
Net current assets			<u>2,110,238</u>		<u>2,110,238</u>
Total assets less current liabilities			<u>2,210,238</u>		<u>2,210,238</u>
Creditors: amounts falling due after more than one year	13		<u>(2,110,238)</u>		<u>(2,110,238)</u>
Net assets			<u>100,000</u>		<u>100,000</u>
Capital and reserves					
Called up share capital	14		1,000		1,000
Share premium account			99,000		99,000
Total shareholders' funds			<u>100,000</u>		<u>100,000</u>

The notes on pages 11 to 18 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 25 April 2024 and are signed on its behalf by:



Carl Dix
Director

Company registration number SC209010 (Scotland)

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Called up share capital £	Share premium account £	Profit and loss reserve £	Total £
Balance at 1 January 2022		1,000	99,000	-	100,000
Year ended 31 December 2022:					
Profit and total comprehensive income for the financial year		-	-	374,539	374,539
Dividends	8	-	-	(374,539)	(374,539)
Balance at 31 December 2022		1,000	99,000	-	100,000
Year ended 31 December 2023:					
Profit and total comprehensive income for the financial year		-	-	626,854	626,854
Dividends	8	-	-	(626,854)	(626,854)
Balance at 31 December 2023		1,000	99,000	-	100,000

The notes on pages 11 to 18 form part of these financial statements.

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Robertson Education (Aberdeenshire) Holdings Limited ("the Company") is a private company limited by shares incorporated in the United Kingdom and is registered Scotland. The registered office is located at 2nd Floor, Drum Suite, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN.

The Company acts as a holding company to Robertson Education (Aberdeenshire) Limited. The principal activity of this Company is the finance, operation and maintenance of schools in Aberdeenshire for Aberdeenshire Council under the Governments Private Financial Initiative scheme.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities. The principal accounting policies adopted are set out below and have been consistently applied to the years presented, unless otherwise stated.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Not to disclose transactions with wholly owned members of a group.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Robertson Education (Aberdeenshire) Holdings Limited is a wholly owned subsidiary of BIIF Holdco Limited and the results of Robertson Education (Aberdeenshire) Holdings Limited are included in the consolidated financial statements of BIIF Holdco Limited which are available from Cannon Place, 78 Cannon Street, London, EC4N 6AF.

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Cash flow forecasts are prepared for the underlying investments looking over the expected life of the assets and so including the 12 month period from the date the financial statements are signed. In drawing up these forecasts, the directors have made assumptions based upon their view of the current and future economic conditions that will prevail over the forecast period.

The Company's cash flows are dependent on the performance of its investments. After reviewing the performance of the investments, which is done on a regular basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

In light of this, the directors continue to adopt the going concern basis of accounting in preparing the Company's annual financial statements.

1.3 Fixed asset investments

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

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

1.4 Financial instruments

Other financial assets

Other financial instruments are subsequently measured at fair value, with any changes recognised in the Statement of Comprehensive Income, with the exception of hedging instruments in a designated hedging relationship.

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each reporting date. The fair values of the derivatives have been calculated by discounting the fixed cash flows at forecasted forward interest rates over the term of the financial instrument. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.5 Equity instruments

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

1.6 Taxation

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

Current tax

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

Deferred tax

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

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

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Judgements and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Impairment of assets

The carrying value of those assets recorded in the Company's Statement of Financial Position, at amortised cost less any impairment losses, could be materially reduced where circumstances exist which might indicate that an asset has been impaired and an impairment review is performed. Impairment reviews consider the fair value and/or value in use of the potentially impaired asset or assets and compare that with the carrying value of the asset or assets in the Statement of Financial Position. Any reduction in value arising from such a review would be recorded in the Statement of Comprehensive Income. Impairment reviews involve the significant use of assumptions. Consideration has to be given as to the price that could be obtained for the asset or assets, or in relation to a consideration of value in use, estimates of the future cash flows that could be generated by the potentially impaired asset or assets, together with a consideration of an appropriate discount rate to apply to those cash flows.

3 Auditors' remuneration

The audit fee of £3,192 (2022: £2,490) was borne by the subsidiary company Robertson Education (Aberdeenshire) Limited.

4 Employees

The average number of persons employed by the Company during the financial year amounted to nil (2022: nil). The directors are not employed by the Company and did not receive any remuneration from the Company during the year (2022: £nil).

5 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Interest receivable from group companies	295,500	295,500
Income from fixed asset investments		
Income from shares in group undertakings	626,854	374,539
	<u>922,354</u>	<u>670,039</u>

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Interest payable and similar expenses

	2023	2022
	£	£
Interest payable to group undertakings	295,500	295,500

7 Taxation on profit

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

	2023	2022
	£	£
Profit before taxation	626,854	374,539
Expected tax charge based on the standard rate of corporation tax in the UK of 23.52% (2022: 19.00%)	147,439	71,162
Tax effect of income not taxable in determining taxable profit	(147,439)	(71,162)
Taxation charge for the year	-	-

In 2021 an increase in the corporation tax rate to 25% with effect from 1 April 2023 was substantively enacted. The 23.5% rate used above reflects 9 months of this new rate and 3 months of the previous rate of 19%.

8 Dividends

	2023	2022	2023	2022
	Per share	Per share	Total	Total
	£	£	£	£
Ordinary Shares				
Final paid	6.27	3.75	626,854	374,539

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Fixed asset investments

	Notes	2023 £	2022 £
Investments in subsidiaries	10	100,000	100,000

Movements in fixed asset investments

	Shares in subsidiaries £
Cost or valuation	
At 1 January 2023 & 31 December 2023	100,000
Carrying amount	
At 31 December 2023	100,000
At 31 December 2022	100,000

10 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Robertson Education (Aberdeenshire) Limited	2nd Floor, Drum Suite, Saltire Court, Castle Terrace, Edinburgh, EH1 2EN	Ordinary shares	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
Robertson Education (Aberdeenshire) Limited	3,041,039	826,016

The Company owns 100% of the ordinary share capital of Robertson Education (Aberdeenshire) Limited, a company registered in Scotland. The principal activity of this Company is the finance, operation and maintenance of schools in Aberdeenshire for Aberdeenshire Council under the Governments Private Financial Initiative scheme.

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Amounts owed by group undertakings	62,324	62,324
	<u>62,324</u>	<u>62,324</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	2,110,238	2,110,238
	<u>2,110,238</u>	<u>2,110,238</u>
Total debtors	<u>2,172,562</u>	<u>2,172,562</u>

The amounts owed by Group undertakings due within one year are trading balances, are not interest bearing and are repayable on demand.

Between March 2001 and June 2002 Robertson Education (Aberdeenshire) Limited issued a total of £1,900,000 in Coupon Bearing Investment Sums to the Company. The investment bears a Coupon of 14% per annum, and payment of capital falls due in the year 2025. Robertson Education (Aberdeenshire) Limited capitalised an additional £210,238 in relation to interest during the construction phase which has been added to the loan principal. The Coupon on the principal amount accrues daily and is payable in cash on 15 January, 15 April, 15 July and 15 October each year. The investment sum was advanced under a subordinated loan agreement and is therefore unsecured, and would rank alongside ordinary creditors in the event of a winding up.

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Amounts owed to group undertakings	62,324	62,324
	<u>62,324</u>	<u>62,324</u>

The amounts owed to Group undertakings are trading balances, are not interest bearing and are repayable on demand.

13 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Amounts owed to group undertakings	2,110,238	2,110,238
	<u>2,110,238</u>	<u>2,110,238</u>

Between March 2001 and June 2002 the Company issued a total of £1,900,000 in Coupon Bearing Investment Sums to its immediate parent company, Robertson Education (Aberdeenshire) Group Holdings Limited. The investment bears a Coupon of 14% per annum, and payment of capital falls due in the year 2025. The Company capitalised an additional £210,238 in relation to interest during the construction phase which has been added to the loan principal. The Coupon on the principal amount accrues daily and is payable in cash on 15 January, 15 April, 15 July and 15 October each year. The investment sum was advanced under a subordinated loan agreement and is therefore unsecured and would rank alongside ordinary creditors in the event of a winding up.

ROBERTSON EDUCATION (ABERDEENSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Called up share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
Ordinary Shares of 1p each	100,000	100,000	1,000	1,000

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and the repayment of capital.

15 Contingencies

The Company has granted a guarantee supported by a debenture incorporating fixed and floating charges over its assets and undertakings, in security of its wholly owned subsidiary's term loan from Bank of Scotland.

16 Ultimate controlling party

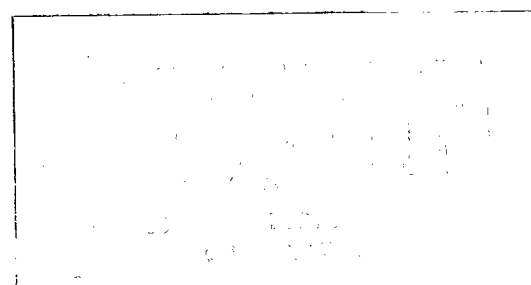
The immediate parent undertaking is Robertson Education (Aberdeenshire) Group Holdings Limited.

The intermediate parent undertaking is BIIF Holdco Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of BIIF Holdco Limited consolidated financial statements can be obtained from the Company Secretary at Cannon Place, 78 Cannon Street, London, EC4N 6AF.

The ultimate parent and controlling party is BIIF L.P. BIIF L.P. is owned by a number of investors with no one investor having individual control.

Company registration number 06704550 (England and Wales)

BIIF HOLDCO LIMITED
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



BIIF HOLDCO LIMITED

COMPANY INFORMATION

Directors	John Cavill Bryan Acutt
Secretary	Infrastructure Managers Limited
Company number	06704550
Registered office	Cannon Place 78 Cannon Street London EC4N 6AF
Auditors	PricewaterhouseCoopers LLP Chartered Accountants & Statutory Auditors Atria One 144 Morrison Street Edinburgh EH3 8EX

BIIF HOLDCO LIMITED

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BIIF HOLDCO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their Annual Report and the audited Consolidated Financial Statements of BIIF Holdco Limited ("the Company") and its consolidated subsidiaries ("the Group") for the year ended 31 December 2023.

Purpose, principal objectives and strategies

The Company's purpose is to invest in operational projects that deliver an income yield to investors. The principal activity of the Company is that of a holding company. The principal activity of the Group is the provision, operation and maintenance of various assets under the Private Finance Initiative ('PFI') and within regulated renewable energy markets.

Review of the business

The results for the year are in line with management's expectations with each of the Group's investments performing materially in line with the relevant financial model.

Comparing results for the past two years, the decline is due to a number of factors including the maturity of four projects during the year to December 2022, together with changing market trends in both energy prices and the macro environment. The current macro environment has impacted the Group's valuation of closing financial derivative liabilities, recognising a loss for the year to December 2023 of £11,835K (2022: £51,892K gain).

During the year it was identified that the share of profit recognised in respect of one Joint Venture investment had been calculated incorrectly. This has been adjusted in the financial statements as a prior year adjustment with further details in note 28.

Future developments

The directors intend for the business to continue to run the assets and hold its interests in the investments.

Principal risks and uncertainties

The Group's activities are based on long-term contracts with public sector counterparties. There is a risk, arising from any future changes in political priorities, that the public sector may wish to terminate these contracts early. In most cases, the contracts have robust provisions which set out the basis on which investors will be compensated in the event of early termination at the request of the public sector. Where such provisions do not exist, termination and associated compensation is subject to mutual agreement. Overall, the directors consider the risk of material loss arising from widespread early termination of the projects to be low.

Another risk faced by the Group is the future cost of lifecycle expenditure. Each project has a lifecycle profile which is regularly reviewed and managed, to highlight and mitigate any potential adverse effects.

Key performance indicators

Group performance is measured on the basis of cash flows, both for shareholders and lenders. As with all companies in this sector, detailed cash flow projections are prepared to demonstrate the ability of the business to service its debt. Current projections demonstrate that the business can continue to maintain its debt service cover ratios at the base case levels agreed with the Group's lenders and will continue to pay returns to shareholders. As such the directors are satisfied that the Group's performance is in line with forecast and, therefore, consider the going concern basis of preparation to be appropriate.

Going Concern

These financial statements have been prepared on the going concern basis for the reasons set out in the Accounting Policies.

BIIF HOLDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Financial Risk Management

The Group is exposed to a variety of financial risks that include retail price indices, interest rate risk and liquidity risk. The Group has in place measures to limit the adverse effects of changes in these risks. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash deposits and proceeds from investment sums. The Group also invests in cash deposits at floating rates.

Objectives and policies

The Group's exposure to and management of interest rate risk, credit risk and liquidity risk are detailed below:

Interest rate risk

The financial risk management objectives of the Group are to ensure that financial risks are mitigated by the use of financial instruments. The Group uses interest rate swaps to reduce its exposure to interest rate movements. Financial instruments are not used for speculative purposes.

Inflation risk

The financial risk management objectives of the Group are to ensure that financial risks are mitigated by the use of financial instruments. The Group uses RPI swaps to reduce its exposure to movements in inflation. Financial instruments are not used for speculative purposes.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer, counterparty to a financial instrument or counterparty for facility management services, fails to meet their contractual obligations.

Credit risk is overseen by management, and arises mainly from:

- cash and cash equivalents.
- derivative financial instruments.
- credit exposures to amounts due from outstanding receivables; and
- other committed transactions with counterparties.

The Group's objective is to minimise credit risk to an acceptable level whilst not overly restricting the Group's ability to generate revenue and profit. It is the Group's policy to invest assets safely and profitably. Management monitors credit risk closely and considers that its current policies in managing the exposure to credit risk are appropriate.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of its key customers or counterparties. The Group's largest credit exposures are to public sector bodies and financial institutions. The amounts owed by the public sector bodies in the United Kingdom are considered to be a low credit risk by the Group. The counterparties for facility management are with well-established companies that operate several facility management contracts, and the Group considers these companies unlikely to default on their respective liabilities to the Group.

In determining whether a financial asset is impaired due to credit or counterparty risks, the Group takes account of:

- The fair value of the asset at the date of the Statement of Financial Position and, where applicable, the historic fair value of the asset.
- In the case of receivables, the counterparty's typical payment patterns; and
- In the case of other counterparty's, the current contract performance and the latest available information on the counterparty's credit worthiness.

Liquidity risk

The Group's liquidity risk is principally managed through financing the Group by means of long term borrowing.

BIIF HOLDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

S172 Statement

The directors of the Group consider that they have adhered to the requirements of section 172 (1) of the Companies Act 2006 (the 'Act') and have, in good faith, acted in a way that they consider would be most likely to promote the success of the Group for the benefit of its shareholder and have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1) (a-f) of the Act) in its decision making.

Taking into account the relative size of the Group, it is considered reasonable that the day to day decision making of the subsidiary assets is delegated to project directors, regularly reporting to the Group Board. This promotes full and effective interaction across all levels of the Group and supports the delivery of strategic and business objectives within a framework of best corporate governance practice.

The following paragraphs summarise how the Directors fulfil their duties:

Business conduct

The Group relies on maintaining a strong reputation. We ensure our values and ethics are aligned with our purpose and ways of working.

Our People

The Group is committed to being a responsible business with its behaviour aligned with expectations of society as a whole. Given the nature of the group there are very few employees, however, for the Group to succeed we need to manage their performance, develop and bring through talent while ensuring we operate as efficiently as possible. We must also ensure we share common values that inform and guide our behaviour, so we achieve the goals of the Group in the right way.

Business Relationships

The Board has an important relationship with Infrastructure Managers Limited ("IML"), the Company Secretary and a key stakeholder. IML, which is also a Group company, provides financial and operational management services to the Group. The project directors meet with the Board on a quarterly basis and information is provided at the meeting by the operational and financial management teams. This information will have regard to health and safety matters, the operational and financial performance of the project, planned major maintenance works and relationships with the client and the main subcontractors. The operational and financial management team make recommendations to the Board. These Board meetings are minuted and actions arising are monitored.

Community and Environment

The Group's approach is to create positive change for the people and communities with which we interact. The Board recognises that the Group is a key partner in the delivery of public infrastructure and encourages its partners in considering and delivering Environmental, Social and Governance ("ESG") values.

Shareholders

The Board is committed to openly engaging with their shareholders, as they recognise the importance of a continuing effective dialogue to ensure full understanding of Group strategy and objectives. The ultimate parent and controlling entity of the Group is BIIF LP. BIIF LP is owned by a number of professional investors and the directors of the company meet regularly with these investors to update them on the performance of the Group.

Principal decisions

The Board is focused on long-term predictable returns and risks across the business are carefully assessed and managed. The Group's principal risks and uncertainties are detailed earlier in the Strategic Report.

Examples of principal decisions made by the Board during the year ended 31 December 2023 were as follows:

Decision	Undertake detailed analysis on the impact of reaching the end of the concession period for relevant projects.
Context	A number of projects which contain residual value are nearing the end of their concession period. The tax treatment of the residual value needs to be assessed in relation to the financial model for each project.
Outcome	The review identified areas where the financial models required updating or where clarification is required over the tax position.

BIIF HOLDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Climate change

The directors recognise that it is important to disclose their view of the impact of climate change on the Group. The Group's investments have key operational contracts that are long-term and with a small number of known counterparties. In most cases, the cashflows from these contracts can be predicted with reasonable certainty for at least the medium-term. Having considered the operations of investments, their contracted rights and obligations and forecast cash flows, there is not expected to be a significant impact upon the Group's operational or financial performance arising from climate change.

Approved by the board and signed on it's behalf by



Bryan Acutt
Director

24 September 2024

BIIF HOLDCO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and the audited consolidated financial statements of the Company and the Group for the year ended 31 December 2023.

Results and dividends

The results for the year are set out on pages 16 to 17.

The group's loss for the financial year, after taxation, amounted to £22,033k (2022: profit of £43,363k). The result for the year will be transferred to reserves. The Company made a profit for the year of £1,137k (2022: £653k profit).

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

No dividends (2022: £nil) were paid by the Company during the year.

Directors

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

James Dawes	(Resigned 15 May 2024)
John Cavill	
Bryan Acutt	(Appointed 15 May 2024)

Qualifying third party indemnity provisions

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

Independent auditors

In accordance with the company's articles, a resolution proposing that PricewaterhouseCoopers LLP be reappointed as auditors of the group will be put at a General Meeting.

Emissions and energy use

The Group and Company have a very limited direct impact on the environment and are not significant producers of greenhouse gas emissions. The Group consumed less than 40,000 kilowatt hours of energy in the financial year and are therefore exempt from the streamlined energy and carbon reporting disclosure requirements.

Statement of disclosure to auditors

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of Principal objectives, Financial risk management and Future developments.

Directors and their interests

The directors in office during the year and up to the date of this report, shown on page 1, had no beneficial interest in the Company or its subsidiaries.

BIIF HOLDCO LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors' Report was approved by the board and signed on its behalf by



Bryan Acutt
Director

24 September 2024

BIIF HOLDCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors are responsible for preparing the Annual Report and the Group 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, comprising FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group 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, comprising FRS102 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements were approved and signed by the director and authorised for issue on 24 September 2024



Bryan Acutt
Director

BIIF HOLDCO LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BIIF HOLDCO LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, BIIF Holdco Limited's group financial statements and company financial statements ("the financial statements"):

- give a true and fair view of the state of the group's and company's affairs as at 31 December 2023 and of the group's and company's loss and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the Group and company statements of financial position as at 31 December 2023; the Group statement of comprehensive income, the Group statement of cash flows and the Group and company statements of changes in equity for the year then ended; and the Notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- assessing management's going concern models for accuracy and reasonableness, including the review of the inputs and key assumptions used in those models;
- testing the underlying data generated to prepare the forecasted model and determining whether there was adequate support for the assumptions underlying the forecasts, including considering the accuracy of prior year forecasts;
- obtaining an understanding of the debt covenants associated with the loan facilities, and assessing whether the forecasts indicate that the group will remain in compliance with them;
- considering available liquidity to repay the group debt liabilities in line with the terms of the debt in place; and
- reviewing management's going concern disclosures.

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 group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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. However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

BIIF HOLDCO LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BIIF HOLDCO LIMITED

Our audit approach

Audit scope

- The group comprises 164 components, being operating subsidiaries and intermediary holding companies, as well as joint ventures and associates.
- Our audit scope was tailored to provide appropriate coverage of the consolidated financial statements through audit procedures performed across the components by the group audit team.
- The components where we performed full scope audit work accounted for approximately 91% of the group's turnover, 79% of profit before tax and 80% of net assets.
- All audit work was performed by the same engagement team in the UK.

Key audit matters

- Risk of incorrect recognition of turnover as a result of inappropriate calculation and allocation of the unitary charge (group)
- Carrying Value of Investments (parent)

Materiality

- Overall group materiality: £4,283,200 (2022: £8,962,450) based on 5% of earnings before interest, tax, depreciation and amortisation ("EBITDA").
- Overall company materiality: £369,950 (2022: £383,580) based on 1% of total assets.
- Performance materiality: £3,212,400 (2022: £6,721,837) (group) and £277,463 (2022: £287,685) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

How we tailored the audit scope

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

The group comprises of 164 components, being operating subsidiaries and intermediary holding companies, as well as a number of joint ventures and associates. The principal activity of the majority of the operating subsidiaries is the provision, operation and maintenance of various assets under the Private Finance Initiative ('PFI'). The majority of the group's operations are within the UK, with two entities based in France. The group is partly funded by loan notes issued on the International Stock Exchange, issued by the Company and its subsidiary BIIF Issuerco.

None of the components are individually financially significant, however, we perform a full scope statutory audit over 103 components.

All audit work was performed by the same engagement team within the UK.

The company BIIF Holdco Limited is a holding company for the two portfolios but is not itself a trading entity. We perform a full scope audit over the company.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the group's and company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the group's and company's financial statements.

BIIF HOLDCO LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF BIIF HOLDCO LIMITED

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgment, were of most significant in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter

Risk of incorrect recognition of turnover as a result of inappropriate calculation and allocation of the unitary charge (Group)

Through its subsidiaries, joint ventures and associates, the group has service concession arrangements with external parties for the design, construction, finance and maintenance of various public use assets including education facilities, railways, hospitals, roads, prisons and police stations.

A significant proportion of the service concession arrangements are accounted for as finance debtors (as per note 10 and 11 of the financial statements), with amortisation and finance income recognised each year at a constant rate.

The unitary charge payments received from customers for the service concession arrangements are allocated to turnover, finance income and the finance debtor amortisation. The allocation to turnover is calculated by applying a margin to the costs incurred in the operations and ongoing maintenance of the related asset. Due to the judgement required to estimate the margin over the life of the project and the significant impact that the allocation of the unitary charge has on key accounts: turnover, finance income, the finance debtor and any unitary charge control accounts ("UCCA"), including those most susceptible to fraudulent manipulation, we consider this risk to be a key area of audit focus.

How our scope addressed this matter

Our audit addressed the risk as follows:
In each project where such accounting is applied, we:

- tested a sample of unitary charge payments received from the customer, agreeing to invoice and evidence of cash receipt and used this to determine an expectation for total value of payments received in the year;
- compared the margin applied in the current year to the margin applied in the prior year. Where there was a material movement in the margin, we sought to understand and corroborate the factors that have driven this change. This included analysing the project financial models to establish any changes in trends for expected future costs which impact the lifetime margin of the project, and investigating unusual trends in key elements of the project forecasts;
- -recalculated the revenue recognised by applying the margin to qualifying costs incurred in the year ended 31 December 2023; and
- -re-performed the allocation of the unitary payment between turnover, finance debtor amortisation, finance income and where applicable the UCCA and checked that the allocated amounts had been recognised appropriately.

Our audit work did not identify any issues and we therefore concluded that there was no material misstatement in any of the impacted financial statement line items.

BIIF HOLDCO LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF BIIF HOLDCO LIMITED

Key audit matter

Carrying Value of Investments (parent)

The Company acts as a holding company for a portfolio of PFI investments. These investments are carried at cost. There is an inherent risk in such an entity that the carrying value of the investments could be impaired.

As per note 8 of these financial statements, the Company's investment is in the share capital of two immediate subsidiaries, which each hold a portfolio of further holding companies and PFI project companies.

As at 31 December 2023, the directors assessed the carrying value of the investments held by the Company.

The directors designated a Valuations Committee to oversee the preparation of a discounted cash flow model, based upon forecast PFI project performance, to calculate the net present value ("NPV") of the investment portfolio. They compared this NPV to the carrying value of the investments in the financial statements.

This assessment, by its nature, requires the use of judgements and estimates, and as a result was an area of focus for us in our audit.

How our scope addressed this matter

We considered the process undertaken by the directors in concluding on the NPV of the portfolio, including the expertise of the members of the Valuation Committee and the approval process of the key assumptions and conclusions. We obtained the discounted cash flow model used by the directors to calculate the NPV of the investment portfolio. Our procedures over this model were as follows:

- We compared the underlying forecast cash flows, for a sample of investments, to the individual project models;
- We performed testing on a sample of the project models, including look-back tests to assess the models' historical forecasting accuracy;
- For each of the key assumptions applied in the calculation of the discounted cash flows, including inflation rates and discount rates, we engaged internal specialists to assist in assessing the reasonability of the assumptions. Furthermore, we compared to market expectations and independent sources;
- We tested the mathematical and formulaic accuracy of the NPV calculation; and
- We used our knowledge of the underlying portfolio of investments to ensure that any specific issues or challenges on individual projects had been appropriately factored into the models for those specific projects.

Our procedures did not identify any issues with the carrying value of investments.

BIIF HOLDCO LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BIIF HOLDCO LIMITED

Our application of materiality

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

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

	<i>Group financial statements</i>	<i>Company financial statements</i>
Overall materiality	£4,283,200 (2022: £8,962,450).	£369,950 (2022: £383,580).
How we determined it	5% of earnings before interest, tax, depreciation and amortisation ("EBITDA")	1% of total assets
Rationale for benchmark applied	EBITDA is a generally accepted performance benchmark which is commonly used by shareholders of groups with investment portfolios which are financed through debt. It is a benchmark that is closely correlated to the cash flows generated by the portfolio of investments. It is therefore considered the most appropriate benchmark for assessing materiality for the audit of the Group.	The principal operations of the Company are to operate as a holding company and to provide funding for its investments. We believe therefore that total assets is the primary measure used by the shareholders in assessing the performance and financial position of the entity, and is a generally accepted auditing benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £1,000 and £2,141,600. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2022: 75%) of overall materiality, amounting to £4,283,200 (2022: £8,962,450) for the group financial statements and £369,950 (2022: £383,580) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount in the middle of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £214,160 (group audit) (2022: £351,299) and £18,498 (company audit) (2022: £20,300) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

BIIF HOLDCO LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BIIF HOLDCO LIMITED

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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

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

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

BIIF HOLDCO LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BIIF HOLDCO LIMITED

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and the risk of management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management around known or suspected instances of non-compliance with laws and regulations, claims and litigation, and instances of fraud;
- Understanding of management's controls designed to prevent and detect irregularities;
- Review of board minutes;
- Challenging management on assumptions and judgements made in their significant accounting estimates, in particular in relation to the carrying value of investments;
- Identifying and testing journal entries to assess whether any of the journals appeared unusual, for example impacting revenue and distributable reserves; and
- Reviewing financial statement disclosures and testing to support documentation where appropriate to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

BIIF HOLDCO LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BIIF HOLDCO LIMITED

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Paul Cheshire (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Edinburgh

Date: 24 September 2024

BIIF HOLDCO LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £'000	2022 £'000
Turnover	3	298,529	371,629
Cost of sales		(213,568)	(274,154)
Gross profit		84,961	97,475
Operating expenses		(36,843)	(41,657)
Exceptional cost	19	(1,170)	(14,804)
Gain on sale of investment properties and assets		-	19,629
(Loss)/gain on revaluation of investment properties		(11,800)	4,200
Operating profit	4	35,148	64,843
Share of profits of associates and joint ventures	13	24,352	17,055
Interest receivable and similar income	7	39,186	37,947
Interest payable and similar expenses	8	(107,446)	(107,763)
Fair value (loss)/gain on derivatives	12	(11,835)	51,892
(Loss)/profit before taxation		(20,595)	63,974
Tax on (loss)/profit	9	2,661	(13,828)
(Loss)/profit for the financial year		(17,934)	50,146
Other comprehensive (expense)/income			
Currency translation (loss)/gain arising in the year		(685)	850
Cash flow hedges gain arising in the year:			
- Group	7,471		29,786
- Associates and joint ventures	(3,449)		55,092
		4,022	84,878
Cash flow hedges gain reclassified to profit or loss		-	-
Tax relating to other comprehensive income		-	-
Total comprehensive (expense)/income for the year		(14,597)	135,874
(Loss)/profit for the financial year is attributable to:			
- Owner of the parent company		(22,033)	43,363
- Non-controlling interests		4,099	6,783
		(17,934)	50,146

BIIF HOLDCO LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £'000	2022 £'000
Total comprehensive (expense)/income for the year is attributable to:			
- Owner of the parent company		(18,637)	128,043
- Non-controlling interests		4,040	7,831
		<u>(14,597)</u>	<u>135,874</u>

In the prior year the interest receivable figure of £37,947k and interest payable figure of £107,763k were incorrectly presented reporting a net finance costs of £69,816k. The presentation has been changed and comparatives retrospectively restated to align the presentation to the requirements of the Companies Act 2006.

BIIF HOLDCO LIMITED

GROUP AND COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	Group 2023 £'000	2022 as restated £'000	Company 2023 £'000	2022 £'000
Fixed assets					
Goodwill	10	125,534	138,752	-	-
Tangible assets	11	164,807	182,543	-	-
Investment property	12	61,200	73,000	-	-
Investments	13	302,859	309,433	34,547	34,547
		<u>654,400</u>	<u>703,728</u>	<u>34,547</u>	<u>34,547</u>
Current assets					
Debtors: amounts falling due within one year	14	115,938	133,006	2,448	3,811
Debtors: amounts falling due after more than one year	14	725,669	800,790	-	-
Cash at bank and in hand		<u>276,251</u>	<u>284,657</u>	<u>-</u>	<u>-</u>
		1,117,858	1,218,453	2,448	3,811
Creditors: amounts falling due within one year	15	<u>(338,573)</u>	<u>(338,639)</u>	<u>-</u>	<u>-</u>
Net current assets		<u>779,285</u>	<u>879,814</u>	<u>2,448</u>	<u>3,811</u>
Total assets less current liabilities		<u>1,433,685</u>	<u>1,583,542</u>	<u>36,995</u>	<u>38,358</u>
Creditors: amounts falling due after more than one year	16	<u>(1,747,927)</u>	<u>(1,871,093)</u>	<u>(34,578)</u>	<u>(37,078)</u>
Provisions for liabilities					
Provisions	19	(15,974)	(14,804)	-	-
Deferred tax liability	20	<u>(53,907)</u>	<u>(62,040)</u>	<u>-</u>	<u>-</u>
		<u>(69,881)</u>	<u>(76,844)</u>	<u>-</u>	<u>-</u>
Net (liabilities)/assets		<u><u>(384,123)</u></u>	<u><u>(364,395)</u></u>	<u><u>2,417</u></u>	<u><u>1,280</u></u>
Capital and reserves					
Called up share capital	23	-	-	-	-
Revaluation reserve		33,233	45,033	-	-
Hedging reserve		(235,846)	(239,927)	-	-
Other reserves		1,922	2,607	-	-
Profit and loss reserves		<u>(219,693)</u>	<u>(209,460)</u>	<u>2,417</u>	<u>1,280</u>
Equity attributable to owner of the parent company		<u>(420,384)</u>	<u>(401,747)</u>	<u>2,417</u>	<u>1,280</u>
Non-controlling interests		<u>36,261</u>	<u>37,352</u>	<u>-</u>	<u>-</u>
Total equity		<u><u>(384,123)</u></u>	<u><u>(364,395)</u></u>	<u><u>2,417</u></u>	<u><u>1,280</u></u>

BIIF HOLDCO LIMITED

GROUP AND COMPANY STATEMENT OF FINANCIAL POSITION(CONTINUED)

AS AT 31 DECEMBER 2023

In the prior year the investments balance was split out to show interests in joint ventures and associates separately. The presentation has been changed and comparatives retrospectively restated to amalgamate these balance with detailed movements included in note 13. In addition, in the prior year, derivative financial instrument liabilities were incorrectly presented separately on the face of the Statements of Financial Position, whereas they are now disclosed as part of creditors falling due after more than one year with comparatives retrospectively restated, to align the presentation to the requirements of the Companies Act 2006.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,137k (2022: £653k profit).

The financial statements were approved by the board of directors and authorised for issue on 24 September 2024 and are signed on its behalf by:



Bryan Acutt
Director

Company Registration No. 06704550

BIIF HOLDCO LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Called up share capital £'000	Revaluation reserve £'000	Hedging reserve £'000	Currency translation reserve £'000	Profit and loss reserves £'000	Total controlling interest £'000	Non- controlling interest £'000	Total £'000
As restated for the period ended 31 December 2022:									
Balance at 1 January 2022 (as previously reported)		-	47,388	(323,757)	1,757	(219,702)	(494,314)	31,668	(462,646)
Prior period restatement	28	-	-	-	-	(31,356)	(31,356)	-	(31,356)
As restated		-	47,388	(323,757)	1,757	(251,058)	(525,670)	31,668	(494,002)
Year ended 31 December 2022:									
Profit for the financial year		-	-	-	-	43,363	43,363	6,783	50,146
Other comprehensive income:									
Currency translation differences		-	-	-	850	-	850	-	850
Cash flow hedges gains		-	-	83,830	-	-	83,830	1,048	84,878
Total comprehensive income for the year		-	-	83,830	850	43,363	128,043	7,831	135,874
Dividends		-	-	-	-	-	-	(6,267)	(6,267)
Transfers		-	(2,355)	-	-	(1,765)	(4,120)	4,120	-
Balance at 31 December 2022 (as restated)		-	45,033	(239,927)	2,607	(209,460)	(401,747)	37,352	(364,395)

BIIF HOLDCO LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Called up share capital £'000	Revaluation reserve £'000	Hedging reserve £'000	Currency translation reserve £'000	Profit and loss reserves £'000	Total controlling interest £'000	Non- controlling interest £'000	Total £'000
Year ended 31 December 2023:									
Loss for the financial year		-	-	-	-	(22,033)	(22,033)	4,099	(17,934)
Other comprehensive income/(expense):									
Currency translation differences		-	-	-	(685)	-	(685)	-	(685)
Cash flow hedges gains		-	-	4,081	-	-	4,081	(59)	4,022
Total comprehensive income/(expense) for the year		-	-	4,081	(685)	(22,033)	(18,637)	4,040	(14,597)
Dividends		-	-	-	-	-	-	(5,131)	(5,131)
Transfers		-	(11,800)	-	-	11,800	-	-	-
Balance at 31 December 2023		-	33,233	(235,846)	1,922	(219,693)	(420,384)	36,261	(384,123)

BIIF HOLDCO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Profit and loss reserves	Total
	£'000	£'000	£'000
Balance at 1 January 2022	-	627	627
Year ended 31 December 2022:			
Profit and total comprehensive income for the year	-	653	653
Balance at 31 December 2022	-	1,280	1,280
Year ended 31 December 2023:			
Profit and total comprehensive income for the year	-	1,137	1,137
Balance at 31 December 2023	-	2,417	2,417

BIIF HOLDCO LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

		2023		2022 as restated	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Cash generated from operations	26		167,756		209,671
Income taxes paid			(9,606)		(12,039)
Net cash inflow from operating activities			158,150		197,632
Investing activities					
Purchase of tangible fixed assets		(289)		(71)	
Proceeds from disposal of tangible fixed assets		-		29,000	
Proceeds from disposal of investment property		-		34,000	
Interest received		47,551		47,181	
Dividends received		29,971		29,156	
Capital repayments of loan amounts issued to joint ventures and associates		6,835		5,707	
Net cash generated from investing activities			84,068		144,973
Financing activities					
Repayment of borrowings		(35,586)		(51,012)	
Repayment of bank loans		(117,393)		(161,807)	
Interest paid		(112,984)		(111,362)	
Receipt from loan amounts due from project companies in the Group under sub participation agreement from the bank		15,428		13,324	
Net cash used in financing activities			(250,535)		(310,857)
Net (decrease)/increase in cash and cash equivalents			(8,317)		31,748
Cash and cash equivalents at beginning of year			284,657		252,799
Effect of foreign exchange rates on cash held			(89)		110
Cash and cash equivalents at end of year			276,251		284,657

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

BIIF Holdco Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Cannon Place, 78 Cannon Street, London, EC4N 6AF.

The group consists of BIIF Holdco Limited and all of its subsidiaries.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

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

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company BIIF Holdco Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Method of consolidation - subsidiaries

On acquisition of a business, all the business' assets and liabilities that exist at the date of acquisition are recorded at their fair values. Initially, provisional fair values are allocated and these are finalised within twelve months of the date of control. All changes to those assets and liabilities and resulting gains and losses that arise after the Group has gained control of the subsidiary are charged to the post acquisition statement of comprehensive income. The purchase consideration is measured as the fair value of the assets given up or liabilities undertaken plus costs directly attributable to the acquisition. Goodwill is the excess purchase consideration over the fair value of the identifiable assets and liabilities acquired.

Subsidiaries are enterprises that are controlled by the Group over which it typically has in excess of 50% of the voting rights. The Group consolidates the results of the company and its subsidiaries. Subsidiary acquisitions are accounted for using the acquisition method of accounting.

Fair value adjustments which are made at the date of acquisition are amortised on a straight line basis over the period of the life of the underlying asset.

Method of consolidation - associates and joint ventures

Investments in associates and joint ventures are consolidated using the equity method. In arriving at the amounts to be included by the equity method, the same accounting policies as those of BIIF Holdco Limited are applied. Where practicable, associates and joint ventures are included on the basis of financial statements prepared for a period not more than three months before the Group's year end. Where the associate's or joint venture's accounting reference date is greater than three months prior to 31 December, the associates are consolidated based on the latest statutory accounts adjusted for management accounts to 31 December.

Associates are enterprises, other than joint ventures, that are not controlled by the Group, over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence.

1.4 Going concern

The Group has received loans from external banks, which are secured against the cash flows from the Group's investments together with issued Eurobonds. The financial statements have been prepared on a going concern basis following an assessment of the financial viability of each of the Group's principal investments, and also the sources of cash flow projected to be available to service the portfolio debt obligations and meet the covenant ratios within the Group. This assessment indicates that although the Group currently has net liabilities, sufficient funds will be generated to allow ongoing obligations to be met as they fall due.

After making the assessment on going concern, the directors considered it appropriate to prepare the financial statements of the Group on a going concern basis. The Group has sufficient financial resources and liquidity in the current economic environment to continue operations for a period of at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Turnover

Turnover represents the services share of the management services income received by the Group for the provision of a PFI asset to the customer. This income is received over the life of the concession period. Management service income is allocated between revenue and reimbursement of finance debtor so as to generate a constant rate of return in respect of the finance debtor over the life of the contract.

Interest income

Interest income is recognised as interest accrues using the effective interest method.

Dividends

Dividends are recognised as income when the Group's right to receive payment is established.

1.6 Intangible fixed assets - goodwill

Goodwill arises on the business acquisitions and represents the excess of the cost of acquisition over the Group's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at the cost less the accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

1.7 Tangible assets

Tangible assets are initially measured at cost, net of depreciation and any impairment losses.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.8 Depreciation

On completion (date on which an availability certificate is issued), depreciation is charged on buildings on a straight line basis to the income statement over the useful economic life of each asset. The annual rates applied to each class of asset are:

Buildings	concession period 25 to 35 years - 2.9% to 4.0% straight line
Equipment	concession period 25 to 29 years straight line; short life assets 3-4 years straight line and 12.5% - 33% reducing balances

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.9 Investment property

Investment properties are accounted at fair value in accordance with FRS 102 Section 16 'Investment Property'. Investment properties are revalued every year by an external qualified and registered property valuer and every other year the directors assess the carrying value in light of any changes in market conditions. The aggregate surplus or deficit is recognised in the Statement of Comprehensive Income; and no amortisation is provided in respect of long leasehold investment properties.

1.10 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

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

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

In the parent company financial statements, investments in subsidiaries are accounted for at cost less impairment.

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

1.11 Impairment

All assets, including financial assets, are reviewed for impairment annually at the reporting date. Where an indicator of impairment or objective evidence exists, an estimate of the asset's recoverable amount is made. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. This is at the individual project company level within the Group.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.12 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.13 Financial instruments

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

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

Basic financial assets

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

Other financial assets

Other financial instruments are subsequently measured at fair value, with any changes recognised in the Statement of Comprehensive Income, with the exception of hedging instruments in a designated hedging relationship.

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each reporting date. The fair values of the derivatives have been calculated by discounting the fixed cash flows at forecasted forward interest rates over the term of the financial instrument. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.14 Equity instruments

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

1.15 Hedge accounting

Some entities in the Group have entered into an arrangement with third parties that is designed to hedge future cash flows arising on variable rate interest loan arrangements, with the net effect of exchanging the cash flows arising under those arrangements for a stream of fixed interest cash flows ("interest rate swaps"). Some entities have also entered into an arrangement with third parties that is designed to hedge future cash receipts arising from its principal activity (RPI swaps). These entities have designated that these arrangements are a hedge of another (non-derivative) financial instrument, to mitigate the impact of potential volatility on the Group's net cash flows.

To qualify for hedge accounting, documentation is prepared specifying the hedging strategy, the component transactions and methodology used for effectiveness measurement. Changes in the carrying value of financial instruments that are designated and effective as hedges of future cash flows ("cash flow hedges") are recognised directly in a hedging reserve in equity and any ineffective portion is recognised immediately in the income statement. Amounts deferred in equity in respect of cash flow hedges are subsequently recognised in the income statement in the same period in which the hedged item affects net profit or loss or the hedging relationship is terminated and the underlying position being hedged has been extinguished.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

For derivatives that are designated and qualify as cash flow hedges, the effective portion of changes in the fair value of the hedge is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Any gain or loss previously recognised in other comprehensive income is reclassified to profit or loss when the hedge relationship ends. This occurs when the hedging instrument expires or no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised, or the hedging instrument is terminated.

1.16 Taxation

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

Current tax

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

Deferred tax

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

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

1.17 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.18 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.19 Foreign exchange

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The assets and liabilities of overseas subsidiary undertakings are translated into the presentational currency at the rate of exchange ruling at the statement of financial position date. Income and expenses for each statement of comprehensive income are translated at exchange rates at the dates of transaction. All resulting exchange differences are recognised in other comprehensive income.

1.20 Accounting for PFI assets

The Group has taken the transition exemption in FRS 102 Section 35.10(i) that allows the Group to continue the service concession arrangement accounting policies from previous UK GAAP.

i. Finance debtor

The Group is accounting for the concession asset based on the ability to substantially transfer all the risks and rewards of ownership to the customer, with this arrangement the costs incurred by the Group on the design and construction of the assets have been treated as a finance debtor within these financial statements.

ii. Tangible fixed assets

The Group is accounting for the concession asset based on the inability to substantially transfer all the risks and rewards of ownership to the customer, with this arrangement the costs incurred by the Group on the design and construction of the assets have been treated as a fixed asset within these financial statements.

iii. Investment properties

Investment properties are accounted for in accordance with FRS 102 Section 16 'Investment Property'. Investment properties are revalued every two to three years by an external qualified and registered property valuer and every other year the directors assess the carrying value in light of any changes in market conditions. The aggregate surplus or deficit is charged to the income statement; and no amortisation is provided in respect of long leasehold investment properties.

1.21 Capital risk management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Company

1.22 Disclosure exemptions

The Company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the Company.
- (b) The Company has taken advantage of the exemption in section 33 of FRS 102 'Related Parties Disclosures', that allows it not to disclose transactions with wholly owned members of a group.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

2 Judgements and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Impairment of assets

The carrying value of those assets recorded on the Group's Statement of Financial Position at amortised cost could be materially reduced if the value of those assets were assessed to have been impaired. Impairment reviews are performed in the event that circumstances change which might indicate that an asset has been impaired. In principle, such impairment reviews consider the fair value and or value in use of the potentially impaired asset or assets and compares that with the carrying value of the asset or assets on the Statement of Financial Position. Any reduction in value arising from such a review would be recorded in the Income Statement. Impairment reviews involve the significant use of assumptions. Consideration has to be given as to the price that could be obtained for the asset or assets, or in relation to a consideration of value in use, estimates of the future cash flows that could be generated by the potentially impaired asset or assets, together with a consideration of an appropriate discount rate to apply to those cash flows.

Accounting for service concession agreements

Accounting for the service concession contracts and finance debtors requires estimation of service margins, finance debtor interest rates and associated amortisation profiles which are based on forecast results of the contracts.

Revaluation of investment property

The Group carries its investment property at fair value, with changes in fair value being recognised in the Statement of Comprehensive Income. The aggregate surplus or deficit is transferred to or from a revaluation reserve except where a deficit is deemed to represent a permanent impairment in the value of the property, in which event it is charged to the Statement of Comprehensive Income. The Group engages an independent valuation specialist to determine the fair value of the property, and the valuation relates to the year ended 31 December 2023. The property was revalued using a market approach based on vacant possession. The key assumptions used to determine the fair value of the investment property is further explained in note 12.

Fair values of derivative contracts

Fair values for derivative contracts are based on mark-to-market valuations provided by the contract counterparty. Whilst these can be tested for reasonableness, the exact valuation methodology and forecast assumptions for future interest rates or inflation rates are specific to the counterparty

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Turnover

	2023 £'000	2022 £'000
Turnover analysed by geographical market		
United Kingdom	287,663	363,090
European Union	10,866	8,539
	<u>298,529</u>	<u>371,629</u>

4 Operating profit

	2023 £'000	2022 £'000
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	68	(140)
Depreciation of owned tangible fixed assets	17,190	19,373
Amortisation of fair value adjustments	20,807	29,523
	<u>38,065</u>	<u>48,756</u>

5 Auditors' remuneration

	2023 £'000	2022 £'000
Fees payable to the company's auditors and associates:		
For audit services		
Audit of the financial statements of the group and company	<u>1,187</u>	<u>1,128</u>
For other services		
Other assurance services	75	75
Taxation compliance services	66	33
	<u>141</u>	<u>108</u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Operations	53	49	-	-
Finance management	46	42	-	-
Asset and advisory	16	13	-	-
Other	15	16	-	-
	<u>130</u>	<u>120</u>	<u>-</u>	<u>-</u>
Total	<u>130</u>	<u>120</u>	<u>-</u>	<u>-</u>

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Employees

(Continued)

Their aggregate remuneration comprised:

	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Wages and salaries	10,128	8,649	-	-
Social security costs	1,156	1,047	-	-
Other pension costs	1,636	1,331	-	-
	<u>12,920</u>	<u>11,027</u>	<u>-</u>	<u>-</u>

The average number of persons employed by the Company during the financial year amounted to nil (2022: nil).

The directors are not employed by the Company and did not receive any remuneration from the Company during the year (2022: £nil). Attention is drawn to the payments made to certain directors of subsidiary undertakings disclosed in note 24.

7 Interest receivable and similar income

	2023 £'000	2022 £'000
Interest income		
Interest on bank deposits	8,188	847
Finance debtor interest receivable	27,035	31,502
Other interest income	3,963	5,598
Total income	<u>39,186</u>	<u>37,947</u>
	2023 £'000	2022 £'000
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	<u>8,188</u>	<u>847</u>

8 Interest payable and similar expenses

	2023 £'000	2022 £'000
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	45,021	47,950
Interest payable on Eurobond	45,002	47,616
Interest on long term bond	16,262	10,999
	<u>106,285</u>	<u>106,565</u>
Other finance costs:		
Other interest payable and similar items	<u>1,161</u>	<u>1,198</u>
Total finance costs	<u>107,446</u>	<u>107,763</u>

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

9 Tax on (loss)/profit

	2023 £'000	2022 £'000
Current tax		
UK corporation tax on profits for the current period	16,093	9,297
Adjustments in respect of prior periods	(9,329)	(1,150)
Total current tax	<u>6,764</u>	<u>8,147</u>
Deferred tax		
Origination and reversal of timing differences	(9,596)	3,673
Changes in tax rates	-	2,610
Adjustment in respect of prior periods	171	(602)
Total deferred tax	<u>(9,425)</u>	<u>5,681</u>
Total tax (credit)/charge	<u>(2,661)</u>	<u>13,828</u>

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

	2023 £'000	2022 £'000
(Loss)/profit before taxation	<u>(20,595)</u>	<u>63,974</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 23.52% (2022: 19.00%)	(4,844)	12,155
Tax effect of utilisation of tax losses not previously recognised	(763)	701
Adjustments in respect of prior years	(9,158)	(1,752)
Effect of change in corporation tax rate	(607)	2,610
Non-trading transfer pricing adjustment	4,855	3,797
Income/(expenses) not deductible for tax purposes	7,856	(3,683)
Taxation (credit)/charge	<u>(2,661)</u>	<u>13,828</u>

10 Intangible assets

Group	Goodwill
	£'000
Cost	
At 1 January 2023 and 31 December 2023	<u>463,534</u>
Amortisation and impairment	
At 1 January 2023	324,782
Amortisation charged for the year	<u>13,218</u>
At 31 December 2023	<u>338,000</u>

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10 Intangible assets

(Continued)

Carrying amount	
At 31 December 2023	125,534
At 31 December 2022	138,752

The company had no intangible fixed assets at 31 December 2023 or 31 December 2022.

11 Tangible assets

Group	Buildings £'000	Equipment £'000	Total £'000
Cost			
At 1 January 2023	294,584	111,034	405,618
Additions	-	289	289
Disposals	-	(153)	(153)
Exchange adjustments	-	(1,473)	(1,473)
At 31 December 2023	294,584	109,697	404,281
Accumulated depreciation			
At 1 January 2023	151,532	71,543	223,075
Depreciation charged in the year	11,727	5,463	17,190
Eliminated in respect of disposals	-	(153)	(153)
Exchange adjustments	-	(638)	(638)
At 31 December 2023	163,259	76,215	239,474
Carrying amount			
At 31 December 2023	131,325	33,482	164,807
At 31 December 2022	143,052	39,491	182,543

The company had no tangible assets at 31 December 2023 or 31 December 2022.

Included in the total net book value of tangible assets is £17,884k (2022: £18,399k) in respect of interest capitalised. £7,920k (2022: £8,435k) relates to buildings with £9,964k (2022: £9,964k) relating to equipment. Depreciation for the year on buildings was £514k (2022: £547k) and £nil (2022: £nil) on equipment.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

12 Investment property

	Group 2023 £'000	Company 2023 £'000
Fair value		
At 1 January 2023	73,000	-
Net gains or losses through fair value adjustments	(11,800)	-
At 31 December 2023	<u>61,200</u>	<u>-</u>

The Group holds a commercial investment property.

The Investment property was revalued using a market approach on a vacant possession basis as at 31 December 2023 in January 2024 by India Yardley, a member of the Royal Institution of Chartered Surveyors, on behalf of CBRE. The valuation has been recognised in the financial statements to 31 December 2023. When carrying out the valuation the following assumptions have been made:

- A) An Equivalent yield of 6.5%
- B) A Reversionary yield of 7.57%
- C) Capital Value of £4,736.12 per sq m (£440.48 per sq ft)

If the property was valued on the basis it was fully occupied, it could be held at £76,100,000. The directors believe using the current market approach on a vacant possession basis to be appropriate due to the restrictions on selling the property within the project agreement with the Department for Environment, Food and Rural Affairs. The directors acknowledge this is a significant accounting judgement.

The Company had no investment properties at 31 December 2023 (2022: none).

13 Investments

	Notes	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Investments in subsidiaries	29	-	-	34,547	34,547
Investments in associates	30	55,408	53,807	-	-
Loans to associates		16,076	18,159	-	-
Investments in joint ventures	31	84,663	95,399	-	-
Loans to joint ventures		146,712	142,068	-	-
		<u>302,859</u>	<u>309,433</u>	<u>34,547</u>	<u>34,547</u>

The Company owns 100% of the issued share capital of BIIF Holdco II Limited and BIIF Issuerco Limited. Both investments are held at cost with an impairment applied against the carrying value of the investment in BIIF Holdco II Limited.

Investments in joint ventures have been restated for matters set out in note 28.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Investments

(Continued)

Particulars of loans due from joint ventures and associates are listed below:

Joint ventures and associates	Sum advanced £'000	Interest rate applied	Date of maturity of loan
Key Health Services (Addenbrookes)	8,933	11.25%	2037
Fasttrax Limited	628	11.25%	2025
Summit Healthcare (Wishaw) Ltd	8,819	18.00%	2028
Modern Courts (Humberside) Ltd	1,273	13.00%	2025
Modern Courts (East Anglia) Ltd	889	13.20%	2025
The Education Support Company (Leeds) Ltd	1,127	13.00%	2028
Consort Healthcare (Durham) Limited	2,514	LIBOR + 6%	2028
Connect M1-A1 Limited	2,854	15.00%	2025
PPP Services (North Ayrshire) Limited	4,279	14.00%	2037
FCC (East Ayrshire) Limited	3,378	9.00%	2037
Consort Healthcare (Edinburgh Royal Infirmary) Ltd	5,237	LIBOR + 6%	2023
Glasgow Healthcare Facilities Ltd	9,700	13.75%	2039
Stobhill Healthcare Facilities Limited	1,206	13.25%	2031/2042
Stirling Gateway Limited	3,309	13.50%	2039
Sheppey Route Limited	2,454	12.75%	2033
Blue Transmission Walney 1 Limited	7,846	7.88% + RPI	2031
Blue Transmission Walney 2 Limited	8,729	7.88% + RPI	2031
Blue Transmission London Array Limited	37,532	8.21%	2033
Blue Transmission Sheringham Shoal Limited	9,726	9.50%	2033
The Walsall Hospital Company Limited	7,704	12.30%	2040
Hounslow Highways Services Limited	10,313	9.25%	-
Helios A SPV (SJDA 12)	6,746	-	-
Ligeria (SJDA 13)	1,518	-	-
Road Management Group Limited	3,892	12.00%	2024
Road Management Services (Darrington) Limited	1,885	10.00%	2036
Catalyst Healthcare (Calderdale) Ltd	638	15.00%	2031
Catalyst Healthcare (Worcester) Ltd	526	8.40%	2031
Albion Healthcare (Oxford) Limited	846	12.26%	2036
Connect M77 / GSO Limited	4,516	12.10%	2035
Emblem Schools Limited	1,681	13.75%	2032
Manchester Schools Services Limited	360	12.85%	2031
CSM PPP Services Limited	688	-	-
Bangor and Nendrum Schools Services Limited	486	-	-
Salford Schools Solutions Limited	319	-	-
The Edinburgh Schools Partnership Limited	206	13.07%	2033
Lighting for Staffordshire Limited	31	13.18%	2025
	<u>162,788</u>		

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Investments

(Continued)

Movements in fixed asset investments Group

	Shares in associates and joint ventures £'000	Loans to associates and joint ventures £'000	Total £'000
Cost or valuation			
As restated at 1 January 2023	149,206	160,227	309,433
Additions	-	9,588	9,588
Share of retained profits	24,352		24,352
Dividends receivable	(29,971)	-	(29,971)
Movement on hedge reserve	(3,449)	-	(3,449)
Foreign exchange movement	(67)	(192)	(259)
Repayment of loan	-	(6,835)	(6,835)
At 31 December 2023	140,071	162,788	302,859
Carrying amount			
At 31 December 2023	140,071	162,788	302,859
At 31 December 2022	149,206	160,227	309,433

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Investments

(Continued)

The following additional information is provided in respect of equity accounted investments:

	Share of Revenue £000	Share of non- current assets £000	Share of current assets £000
31 December 2023			
Joint ventures	150,764	1,206,578	216,879
Associates	63,700	174,071	71,973

31 December 2022

Joint ventures	141,245	1,229,811	237,032
Associates	55,793	194,256	64,358

	Share of non- current liabilities £000	Share of current liabilities £000	Share of net assets £000
31 December 2023			
Joint ventures	1,060,812	131,269	231,375
Associates	144,745	29,817	71,484

31 December 2022

Joint ventures	1,103,463	125,913	237,467
Associates	161,664	24,984	71,966

The Group accounts for an investment as an associate when it has significant influence but not control. This is typically demonstrated when the Group nominates one or more directors to the board of the investment. Where the shareholder agreements stipulate that all shareholders with board representation must consent to the approval of key matters the Group designates the investment to be a joint venture, even if the equity holding is not 50%.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Investments (Continued)

Movements in fixed asset investments Company

Shares in subsidiaries £'000

Cost or valuation

At 1 January 2023 and 31 December 2023

37,621

Impairment

At 1 January 2023 and 31 December 2023

3,074

Carrying amount

At 31 December 2023

34,547

At 31 December 2022

34,547

14 Debtors

	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Amounts falling due within one year:				
Trade debtors	14,822	21,607	-	-
Sub participation amounts due	16,406	16,161	-	-
Finance debtor	43,032	36,980	-	-
Other debtors	14,390	16,413	2,448	3,811
Prepayments and accrued income	27,288	41,845	-	-
	<u>115,938</u>	<u>133,006</u>	<u>2,448</u>	<u>3,811</u>
Amounts falling due after more than one year:				
Sub participation amounts due	99,706	115,379	-	-
Derivative financial instruments	25,533	31,616	-	-
Finance debtor	560,042	612,210	-	-
	<u>685,281</u>	<u>759,205</u>	<u>-</u>	<u>-</u>
Deferred tax asset (note 20)	40,388	41,585	-	-
	<u>725,669</u>	<u>800,790</u>	<u>-</u>	<u>-</u>
Total debtors	<u>841,607</u>	<u>933,796</u>	<u>2,448</u>	<u>3,811</u>

Sub participation amounts due represents debt due from project companies in the Group, which was the subject of a sub participation agreement from the bank to the Company. These loans are secured by a fixed and floating charge over all the assets, rights and undertakings of the individual project companies. They bear interest at a range of fixed swap rate plus margin between a minimum of 5.85% and a maximum of 8.25%.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Creditors: amounts falling due within one year

	Notes	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Bank loans	17	72,044	94,926	-	-
Eurobond	17	16,800	12,500	-	-
Guaranteed secured bonds	17	5,804	6,974	-	-
Other borrowings	17	1,635	2,814	-	-
Trade creditors		13,186	15,004	-	-
Corporation tax payable		4,419	7,263	-	-
Other taxation and social security		6,777	8,705	-	-
Deferred income	21	776	747	-	-
Other creditors		13,657	10,046	-	-
Accruals		203,475	179,660	-	-
		<u>338,573</u>	<u>338,639</u>	<u>-</u>	<u>-</u>

16 Creditors: amounts falling due after more than one year

	Notes	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Bank loans and overdrafts	17	880,457	966,902	-	-
Eurobond	17	536,220	564,520	34,578	37,078
Guaranteed secured bond	17	104,851	104,777	-	-
Other borrowings	17	2,171	1,316	-	-
Derivative financial instruments		189,647	193,855	-	-
Deferred income	21	25,530	30,876	-	-
Other creditors		9,051	8,847	-	-
		<u>1,747,927</u>	<u>1,871,093</u>	<u>34,578</u>	<u>37,078</u>

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Creditors: amounts falling due after more than one year

(Continued)

(a) Bank loans

The total amount drawn down under bank loans at the year end was £965,664K (2022: £1,015,225K). Costs of £13,163K (2022: £15,325K) have been set off against the total loan drawdowns, with a charge for the year of £2,162K (2022: £2,853K) included in the income statement, as part of interest payable on bank loans.

An amount of £637,725K (2022: £706,343K) relates to senior banking facilities. The first facility of £226,976K (2022: £247,079K) relates to the finance of 18 PFI projects which fully amortises on 30 September 2035. The Group has interest rate swap arrangements and under these arrangements the Group receives interest on a variable basis and pays interest at a fixed rate of 8.55%. The second facility of £410,749K (2022: £459,264K) was refinanced in February 2020 and is split into 5 facilities which fully amortise in 2037. The Group has entered into interest rate swap arrangements and under these arrangements the group receives interest on a variable basis and pays interest at rates between 2.496% - 2.948%. The second facility includes a loan that is RPI linked and the principal balance on this loan is adjusted for the increase in the Retail Price Index every six months. The un-indexed principal balance outstanding at 31 December 2023 is £92,766K (2022: £108,549K). The senior banking facilities are secured against the cash flows from the Group's equity and loan investments and have principal payments due at six monthly intervals.

The remaining facilities relate to borrowings held by individual project subsidiary companies and they are secured by way of fixed and floating charges over the assets of the specific project company which holds the borrowings. Maturity of these facilities ranges from 2024 to 2035. Interest payable on the Group's bank loans ranges from rates of 5.11% to 7.99%.

(b) Eurobonds

A subsidiary in the Group has in issue a Eurobond, listed on the Channel Islands Securities Exchange, totalling £518,442K (2022: £539,942K) which was subscribed for in full by the ultimate parent entity, BIIF LP. This Eurobond bears interest at 8% per annum and falls due for repayment on 31 December 2045.

The Company has in issue a Eurobond, listed on the Channel Islands Securities Exchange totalling £34,578K (2022: £37,078K) which was subscribed for in full by the ultimate parent entity, BIIF LP. This Eurobond bears interest at 8% per annum and falls due for repayment on 31 December 2045.

(c) Guaranteed secured bonds

A subsidiary has issued, at par value, £80,047K (2022: £75,823K) 3.443% index-linked guaranteed secured bonds due 2004-2036. The bond is secured by way of a fixed and floating charge over the assets of the subsidiary and two immediate holding companies. Both the interest and principal balances are adjusted for the increase in the Retail Price Index at six monthly intervals, which cumulatively at 31 December 2023 amounted to 118.10% (2022: 92.31%).

A subsidiary has issued £30,608K (2022: £35,928K) 7.12% secured bonds which are due 2028. The bond is secured by way of a fixed and floating charge over the assets of the subsidiary.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Creditors: amounts falling due after more than one year

(Continued)

(d) Other loans (all unsecured)

A subsidiary in the Group has issued loan notes totalling £1,822K (2022: £1,664K) which bear interest at 13.5%. Of this balance, £1,534K (2022: £1,377K) represents unpaid interest on the loan notes and is due for payment within twelve months. The loan balance falls due for payment on 31 March 2032.

A subsidiary in the Group has issued a £99K (2022: £87K) loan stock instrument. The loan bears a Coupon of 13.5% per annum and payment of capital falls due in the year 2035. The Coupon on the principal amount accrues daily and is payable on 30 September and 31 March each year. The amount is charged to the income statement as interest falls payable. The sum was advanced under a subordinated loan agreement and is, therefore, unsecured and would rank alongside ordinary creditors in the event of a winding up.

The same subsidiary also issued a £179K (2022: £172K) subordinated loan note issued at a price of 20 pence for each £1 in nominal value of loan stock held. The loan bears a Coupon of 13.5% per annum and payment of capital falls due in the year 2035. The Coupon on the principal amount accrues daily and is payable on 30 September and 31 March each year. The sums were advanced under a subordinated loan agreement and rank alongside ordinary creditors but above the loan stock detailed above in the event of a winding up.

The same subsidiary also issued a £267K (2022: £267K) subordinated loan note. The loan bears a Coupon of 13.5% per annum and payment of capital falls due in the year 2035. The Coupon on the principal amount accrues daily and is payable on 30 September and 31 March each year. The sums were advanced under a subordinated loan agreement and rank alongside ordinary creditors but above the loan stock detailed above in the event of a winding up.

A subsidiary in the Group has issued an unsecured loan with a value of £661K (2022: £675K) which is due for repayment in 2037 and bears interest at 13.04%.

A subsidiary in the Group has issued loan stock with a value of £699K (2022: £699K) bearing interest at 13% per annum. Of this balance, £23K (2022: £23K) represents unpaid interest on the loan notes and is due for payment within twelve months. The principal is repayable in full in February 2036.

(e) Other creditors

Included in other creditors is a decommissioning provision of £813K (2022: £739K) which provides for the future costs of decommissioning a wind farm. The provision has been discounted at an annual rate of 4% and this discount is charged to the Statement of Comprehensive Income until 2027, the estimated date of decommissioning.

Amounts included above which fall due after five years are as follows:

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Payable by instalments	523,820	298,314	-	-
Payable other than by instalments	-	-	-	-
	<u>523,820</u>	<u>298,314</u>	<u>-</u>	<u>-</u>

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

17 Loans and overdrafts

	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Bank loans	952,501	1,061,828	-	-
Other loans	667,481	692,901	34,578	37,078
	<u>1,619,982</u>	<u>1,754,729</u>	<u>34,578</u>	<u>37,078</u>
Payable within one year	96,283	117,214	-	-
Payable after one year	<u>1,523,699</u>	<u>1,637,515</u>	<u>34,578</u>	<u>37,078</u>

18 Financial instruments

	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Carrying amount of financial assets				
Instruments measured at fair value through profit or loss	<u>25,533</u>	<u>31,616</u>	<u>-</u>	<u>-</u>
Carrying amount of financial liabilities				
Measured at fair value through profit or loss				
- Other financial liabilities	<u>189,647</u>	<u>193,855</u>	<u>-</u>	<u>-</u>

The financial instruments comprise £57,998k (2022: £53,557k) interest rate swaps and £131,649k (2022: £140,298k) RPI swaps.

During 2023, a hedging gain of £4,022k (2022: £84,878k) was recognised in other comprehensive income for changes in the fair value of the interest rate swap together with a loss of £11,835k (2022: gain £51,892k) recognised in the profit and loss for the financial year.

Derivative financial instruments

The fair value of interest rate swaps is based on valuations provided by the swap counterparties. Those valuations are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The interest rates used to discount estimated cash flows, where applicable are based on market interest rates.

The fair value of RPI swaps is based on valuations provided by the swap counterparties. Those valuations are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market forecast inflation rates.

The amount of change in fair value attributable to own credit risk cannot be measured reliably.

The derivative contracts used by the Group are typical for PFI projects. Where projects are debt-funding, interest on the loan is calculated by reference to a floating rate. Interest rate swaps hedge SONIA fluctuations and mitigate the risk that debt interest costs will fluctuate as SONIA fluctuates. The full amount of the senior debt service payment is hedged in this way.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

18 Financial instruments

(Continued)

RPI swaps are used to hedge fluctuations in the inflation index which is relevant for the project. Low inflation would otherwise cause a shortfall in cash with which to make senior debt service payments. RPI swaps are structured in such a way to ensure that any volatility in cash flow for senior debt service that could arise due to inflation fluctuations is effectively neutralized.

Interest rate swaps and RPI swaps, where used, are conditions imposed on the PFI project company by the senior debt provider to ensure stability in cash flows.

Hedge accounting

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to occur and affect profit and loss as required by FRS 102 12.29(a) for the cash flow hedge accounting models:

	Carrying amount	Expected cash flows	1 year or less	1 year or more
	£'000	£'000	£'000	£'000
As at 31 December 2023				
Interest rate swaps:				
Assets	25,533	25,533	-	25,533
Liabilities	(57,998)	(57,998)	(4,468)	(53,530)
RPI swaps:				
Liabilities	(131,649)	(131,649)	(10,143)	(121,506)
As at 31 December 2022				
Interest rate swaps:				
Assets	31,616	31,616	-	31,616
Liabilities	(53,557)	(53,557)	(4,911)	(48,646)
RPI swaps:				
Liabilities	(140,298)	(140,298)	(12,864)	(127,434)

The Group applies hedge accounting in accordance with FRS102 Section 12.

Interest rate swaps are used as a hedging instrument against floating rate loans as the hedged item. RPI swaps are used as a hedging instrument against that portion of unitary payment receipts which are required to make periodic senior debt service payments.

Fair value of these hedging instruments are reported above. The amount of the change in fair value of the hedging instruments recognised in other comprehensive income for the period and the amount that was recycled to profit or loss for the year are shown in the Statement of Consolidated Other Comprehensive Income.

19 Provisions

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Onerous contract provision	15,974	14,804	-	-

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

19 Provisions

(Continued)

Movements on provisions:

	Onerous contract provision £'000
Group	
At 1 January 2023	14,804
Additional provisions in the year	1,170
	<u>15,974</u>
At 31 December 2023	<u>15,974</u>

One of the subsidiaries has an onerous contract provision of £15,905K (2022: £14,804K). This provision is in relation to an identified calculation error in the re-basing of the pricing which was incorporated in a prior contract variation and which results in the income to the subsidiary significantly reducing from the originally contracted position from September 2023. The provision represents the total liability to the end of the concession period in 2028, however based on the current forecasts, which assume the error is not rectified, the subsidiary is not expected to trade beyond 2025.

20 Deferred tax liability

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2023 £'000	Liabilities 2022 £'000	Assets 2023 £'000	Assets 2022 £'000
Group				
Accelerated capital allowances	49,445	62,040	-	5,836
Derivatives	-	-	25,474	24,301
Other timing differences	-	-	7,806	16,973
Losses	-	-	7,108	2,387
Revaluation of investment property	4,462	-	-	(7,912)
	<u>53,907</u>	<u>62,040</u>	<u>40,388</u>	<u>41,585</u>

The company has no deferred tax assets or liabilities.

	Group 2023 £'000	Company 2023 £'000
Movements in the year:		
Liability at 1 January 2023	20,455	-
Credit to profit or loss	(9,425)	-
Charge to other comprehensive income	1,227	-
Other	1,262	-
	<u>13,519</u>	<u>-</u>
Liability at 31 December 2023	<u>13,519</u>	<u>-</u>

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

20 Deferred tax liability

(Continued)

The Group has an unprovided deferred tax asset of £15,626K (2022: £18,992K). The deferred tax asset arises on unrelieved losses within certain Group companies. This asset would be recoverable if the Group companies made sufficient taxable profits in future periods against which the losses could be offset, but this is not forecast with sufficient certainty.

21 Deferred income

	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Arising from deferred income	26,306	31,623	-	-
Deferred income is included in the financial statements as follows:				
Current liabilities	776	747	-	-
Non-current liabilities	25,530	30,876	-	-
	26,306	31,623	-	-

Deferred income is divided as follows:

- In 9 projects, on completion of construction of the facilities, the public sector client made payments to the respective project companies (GH Newham Limited, GH Bodmin Limited, Kintra Limited, LH Project Limited, Machrie Limited, NewSchools (Penweddig) Limited, Connect A50 Limited, Infrastructure Investors Castlehill Limited and Blackshaw Healthcare Services Limited) as a contribution to the capital cost of the works. These contributions were deferred and will be amortised over the life of the project. The balance as at 31 December 2023 was £13,931K (2022: £16,795K).
- £4,768K (2022: £5,680K) in respect of funding grants which will be amortised over the lifetime of the PFI concession contract.
- £2,804K (2022: £3,144K) received following the arrangement of an RPI SWAP which will be amortised over the lifetime of the contract.
- £4,803K (2022: £6,004K) in respect of asset renewal underspend.

Of the balance at the year end, it is expected that £776K (2022: £747K) will be realised within 12 months and £25,530K (2022: £30,876K) will be realised after 12 months.

22 Retirement benefit schemes

	2023 £'000	2022 £'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	1,636	1,331

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

23 Called up share capital

Group and company	2023 Number	2022 Number	2023 £'000	2022 £'000
Authorised				
Ordinary shares of £1 each	100	100	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Issued and fully paid				
Ordinary shares of £1 each	1	1	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and the repayment of capital.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

24 Related party transactions

The Group paid £29K (2022: £50K) to the Sodexo Group for the services of the Sodexo employees as directors to HpC King's College Hospital (Holdings) Limited, a subsidiary of the Group in which Sodexo hold a minority interest. At 31 December 2023, £nil (2022: £nil) remained outstanding.

Sodexo Group also manage the lifecycle and estate services for HpC Kings College Hospital (Holdings) Limited, a subsidiary of the Group in which the Sodexo Group hold a minority interest. The amount charged for these services was £1,860K (2022: £1,640K). At 31 December 2023, £71K (2022: £60K) remained outstanding.

A Director of Innovate East Lothian Limited during the period is also a Director of FES FM Limited. FES FM Limited provided facilities management services to the Company. The amount charged for these services was £5,085K (2022: £4,607K). At 31 December 2023, £529K (2022: £469K) remained outstanding. All contracts are carried out at arms-length.

A director of Innovate East Lothian Limited is also a director of FES Limited. FES Limited is the holder of loan notes issued by Innovate East Lothian Limited totalling £445K (2022: £439K) and loan notes issued by Innovate East Lothian (Holdings) Limited totalling £99K (2022: £87K).

The Group has subcontracted the design, build, operation and maintenance of Alert Communications Group Holdings Limited to Babcock Communications Limited, a company which, through an intermediary holding company, holds a minority interest in Alert Communications Group Holdings Limited. During the year Alert Communications Limited was invoiced £5,641K (2022: £5,885K) by Babcock Communications Limited in connection with operation and maintenance fees. At 31 December 2023, £602K (2022: £879K) remained outstanding.

Veolia manage the operational activities of Catchment Limited, Catchment Moray Limited and Catchment Tay Limited, subsidiaries of the Group in which Veolia Group hold a minority interest. The total invoices raised in the year in respect of these services amounted to £17,972K (2022: £17,539K). At 31 December 2023, £18K (2022: £2,711K) remained outstanding.

Balfour Beatty Investments Limited, a subsidiary of Balfour Beatty plc, is employed under a Secondment Arrangement with Connect A50 Limited for the provision of managerial staff. The value of the services provided in the year was £260K (2022: £260K). At 31 December 2023, £33k (2022: £nil) remained outstanding.

Balfour Beatty Infrastructure Services Limited, a subsidiary of Balfour Beatty plc, is employed under a contract with Connect A50 Limited for the provision of technical supervision and maintenance of a roadway. The value of the contract in the year was £11,828K (2022: £6,115K). At 31 December 2023, £nil (2022: £nil) remained outstanding.

The Group has subcontracted the design, build, operation and maintenance of Societe Des Bus Hybrids Dijonnais to Heuliez Bus, a company which holds a minority interest in Societe Des Bus Hybrids Dijonnais. In 2023, Societe Des Bus Hybrids Dijonnais was invoiced £551.9K (2022: £596K) by IVECO France for these services. At 31 December 2023, £nil remained outstanding.

The Group has subcontracted the design, build, operation and maintenance of Helios B to Engie Group, a company which holds a minority interest in Helios B. In 2023, Helios B was invoiced £3.456K (2022: £3.013K) by Engie Group in connection with these services. At 31 December 2023, £nil remained outstanding.

25 Controlling party

The ultimate parent and controlling entity is BIIF LP. BIIF LP is owned by a number of investors, with no one investor having individual control.

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

26 Cash generated from group operations

	2023 £'000	2022 £'000
Operating profit	35,148	64,843
Adjustments for:		
Gain on disposal of investment properties and assets	-	(19,629)
Fair value loss/(gain) on investment properties	11,800	(4,200)
Amortisation of fair value adjustment	13,218	20,807
Depreciation of owned tangible fixed assets	17,190	19,373
Exchange losses/(gains)	1,184	(1,993)
Increase in provisions - onerous contracts	1,170	14,804
Movements in working capital:		
Decrease in debtors	66,005	83,447
Increase in creditors	27,358	36,765
Decrease in deferred income	(5,317)	(4,546)
Cash generated from operations	167,756	209,671

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

27 Analysis of changes in net debt - group

	1 January 2023 £'000	Cash flows £'000	Other non- cash changes £'000	Market value movements £'000	Exchange rate movements £'000	31 December 2023 £'000
Cash at bank and in hand	284,657	(8,317)	-	-	(89)	276,251
Borrowings excluding overdrafts	(1,754,729)	152,979	(18,232)	-	-	(1,619,982)
Loan payments	131,540	(15,428)	-	-	-	116,112
Derivatives relating to debt	(193,855)	-	-	4,208	-	(189,647)
	<u>(1,532,387)</u>	<u>129,234</u>	<u>(18,232)</u>	<u>4,208</u>	<u>(89)</u>	<u>(1,417,266)</u>

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

28 Prior period adjustment

During the year it was identified that the share of profit recognised in respect of one Joint Venture investment had been overstated between 2015 and 2019. When calculating the Group's share of profit, the dividends were incorrectly added back before calculating the group's share.

The amounts restated are as follows:

Investments have decreased by £31,356K.

1 Jan 2022 opening reserves have decreased by £31,356K.

31 Dec 2022 restated closing profit and loss reserve £209,460K.

29 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
A-Roads Investments Limited	1	Ordinary	-	100.00
Adams Campus Limited	1	Ordinary	-	100.00
AM Holdco Limited	1	Ordinary	-	100.00
Anavon Holdings Limited	1	Ordinary	-	100.00
Anavon Limited	1	Ordinary	-	100.00
BIIF Bidco Limited	1	Ordinary	-	100.00
Blackshaw Healthcare Services Holdings Limited	1	Ordinary	-	100.00
Blackshaw Healthcare Services Limited	1	Ordinary	-	100.00
BIIF Holdco II Limited	1	Ordinary	100.00	-
BIIF Holdco III Limited	1	Ordinary	-	100.00
BIIF IssuerCo Limited	1	Ordinary	100.00	-
BIIF ParentCo Limited	1	Ordinary	-	100.00
CH Bolton Limited	1	Ordinary	-	100.00
CH Bolton (Holdings) Limited	1	Ordinary	-	100.00
Cricketdrift Limited	1	Ordinary	-	100.00
Defence Management Group (Holdings) Limited	1	Ordinary	-	100.00
Defence Management (Holdings) Limited	1	Ordinary	-	100.00
Defence Management (Watchfield) Limited	1	Ordinary	-	100.00
Duchesspark Holdings Limited	1	Ordinary	-	100.00
Duchesspark Limited	1	Ordinary	-	100.00
Durham Investments Holdco Limited	1	Ordinary	-	100.00
Eastbrook Facilities Holdings 2 Limited	1	Ordinary	-	100.00
Eastbrook Facilities Holdings Limited	1	Ordinary	-	100.00
Eastbrook Facilities Limited	1	Ordinary	-	100.00
Elbon Holdings (1) Limited	1	Ordinary	-	100.00
Elbon Holdings (2) Limited	1	Ordinary	-	100.00
Elbon Holdings (3) Limited	1	Ordinary	-	100.00
Elbon PFI Fund (Investments) Limited	1	Ordinary	-	100.00
ERI Holdings Limited	1	Ordinary	-	100.00
Grannag Limited	1	Ordinary	-	100.00
GH Bodmin Holdings Limited	1	Ordinary	-	100.00
GH Bodmin Limited	1	Ordinary	-	100.00
GH Bury Holdings Limited	1	Ordinary	-	100.00
GH Bury Limited	1	Ordinary	-	100.00
GH Newham Holdings Limited	1	Ordinary	-	100.00

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

29 Subsidiaries (Continued)

Name of undertaking	Address	Class of shares held	% Held	Direct	Indirect
GH Newham Limited		Ordinary	1	-	100.00
HSC Investments Limited		Ordinary	1	-	100.00
I2 Bidco Limited		Ordinary	1	-	100.00
I2 Holdco 2 Limited		Ordinary	1	-	100.00
I2 Holdco Limited		Ordinary	1	-	100.00
Infrastructure Investors Castlehill Holdings Limited		Ordinary	1	-	100.00
Infrastructure Investors Castlehill Limited		Ordinary	1	-	100.00
International Water (Highland) Limited		Ordinary	1	-	100.00
International Water (Tay) Limited		Ordinary	1	-	100.00
Investment Holdings (Genistics) Limited		Ordinary	1	-	100.00
IWL Moray Montrose Limited		Ordinary	1	-	100.00
IWOJHH Limited		Ordinary	1	-	100.00
Kilmarnock PFI Holdings Limited		Ordinary	1	-	100.00
Kilmarnock Prison Services Limited		Ordinary	1	-	100.00
Kinnoull House Holdings Limited		Ordinary	1	-	100.00
Kintra Limited		Ordinary	1	-	100.00
Lanternedew Limited		Ordinary	1	-	100.00
Lowdham Grange Prison Services Limited		Ordinary	1	-	100.00
Luton Health Facilities (Holdings) Limited		Ordinary	1	-	100.00
Luton Health Facilities Limited		Ordinary	1	-	100.00
M1-A1 Investments Limited		Ordinary	1	-	100.00
M1-A1 Yorkshire Limited		Ordinary	1	-	100.00
Machrie Burn Limited		Ordinary	1	-	100.00
Machrie Limited		Ordinary	1	-	100.00
Matrix FPMS Holdings Limited		Ordinary	1	-	100.00
Matrix FPMS Limited		Ordinary	1	-	100.00
Matrix PFI Developments Limited		Ordinary	1	-	100.00
Matrix PFI GP Limited		Ordinary	1	-	100.00
Matrix PFI Holdings Limited		Ordinary	1	-	100.00
Matrix Premier Holdings Limited		Ordinary	1	-	100.00
Moreton Prison Services Limited		Ordinary	1	-	100.00
Newmount Holdings Limited		Ordinary	1	-	100.00
Newmount Limited		Ordinary	1	-	100.00
Newschools (Penweddig) Holdings Limited		Ordinary	1	-	100.00
Newschools (Penweddig) Limited		Ordinary	1	-	100.00
Normanby Healthcare Group Holdings Limited		Ordinary	1	-	100.00
Normanby Healthcare (Holdings) Limited		Ordinary	1	-	100.00
Normanby Healthcare (Projects) Limited		Ordinary	1	-	100.00
Nuffield Albion Healthcare Limited		Ordinary	1	-	100.00
NVSH TopCo Limited		Ordinary	1	-	100.00
PFI Infrastructure Finance Limited		Ordinary	1	-	100.00
PFI Senior Funding Limited		Ordinary	1	-	100.00
PFI Vulcans Lane Limited		Ordinary	1	-	100.00
PFI West Cumbria Limited		Ordinary	1	-	100.00
Premier Custodial Finance Limited		Ordinary	1	-	100.00
Premier Custodial Investments Limited		Ordinary	1	-	100.00
Premier Custodial Sub-debt Limited		Ordinary	1	-	100.00
Pucktechurch Custodial Services Limited		Ordinary	1	-	100.00

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

29 Subsidiaries

(Continued)

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
Reno (Moray) Limited	1	Ordinary	-	55.00
Reno (Tay) Limited	1	Ordinary	-	55.00
Robertson Education (Aberdeenshire) Group Holdings Limited	1	Ordinary	-	100.00
Robertson Education (Ingleby Barwick) Group Holdings Limited	1	Ordinary	-	100.00
Robertson Education (Ingleby Barwick) Holdings Limited	1	Ordinary	-	100.00
Robertson Education (Ingleby Barwick) Limited	1	Ordinary	-	100.00
Robertson Health (Chester le Street) Group Holdings Limited	1	Ordinary	-	100.00
Robertson Health (Chester le Street) Holdings Limited	1	Ordinary	-	100.00
Robertson Health (Chester le Street) Limited	1	Ordinary	-	100.00
SD Marine Services (Holdings) Limited	1	Ordinary	-	100.00
SD Marine Services Limited	1	Ordinary	-	100.00
Tiverton Healthcare Facilities Limited	1	Ordinary	-	100.00
VLE Holdings Limited	1	Ordinary	-	100.00
Vulcans Lane Estates Limited	1	Ordinary	-	100.00
Wansbeck Healthcare Facilities (Holdings) Limited	1	Ordinary	-	100.00
Wansbeck Healthcare Facilities Limited	1	Ordinary	-	100.00
WCEM Holdings Limited	1	Ordinary	-	100.00
West Cumbria Estates Management Limited	1	Ordinary	-	100.00
ABC Schools (Holdings) Limited	2	Ordinary	-	100.00
ABC Schools Limited	2	Ordinary	-	100.00
Alpha Schools (West Lothian) Holdings Limited	2	Ordinary	-	100.00
Alpha Schools (West Lothian) Limited	2	Ordinary	-	100.00
Bannockburn Group Limited	2	Ordinary	-	100.00
Bannockburn Holdings Limited	2	Ordinary	-	100.00
Bannockburn Homes Limited	2	Ordinary	-	100.00
Catchment Highland Holdings Limited	2	Ordinary	-	85.00
Catchment Highland Limited	2	Ordinary	-	85.00
Catchment Limited	2	Ordinary	-	85.00
Dumfries Facilities (Holdings) Limited	2	Ordinary	-	100.00
Dumfries Facilities Limited	2	Ordinary	-	100.00
Elgin Water Limited	2	Ordinary	-	100.00
Forfar Healthcare (Holdings) Limited	2	Ordinary	-	100.00
Forfar Healthcare Limited	2	Ordinary	-	100.00
Infrastructure Managers Limited	2	Ordinary	-	100.00
International Water UU (Highland) Limited	2	Ordinary	-	100.00
KE Project Limited	2	Ordinary	-	100.00
Kinnoull House Limited	2	Ordinary	-	100.00
LH Project Limited	2	Ordinary	-	100.00
Lochgilthead Healthcare Services (Holdings) Limited	2	Ordinary	-	54.00
Midlothian Schools (Debco) Limited	2	Ordinary	-	100.00
Midlothian Schools (Holdings) Limited	2	Ordinary	-	100.00
Midlothian Schools Limited	2	Ordinary	-	100.00
Morris Eddie Limited	2	Ordinary	-	100.00
NVSH Holdco Limited	2	Ordinary	-	100.00
Robertson Education (Aberdeenshire) Holdings Limited	2	Ordinary	-	100.00
Robertson Education (Aberdeenshire) Limited	2	Ordinary	-	100.00
Salisbury Healthcare Facilities (Holdings) Limited	2	Ordinary	-	100.00
Salisbury Healthcare Facilities Limited	2	Ordinary	-	100.00

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

29 Subsidiaries (Continued)

Name of undertaking	Address	Class of shares held	% Held	Direct	Indirect
Tiverton Healthcare Facilities (Holdings) Limited	2	Ordinary	-	100.00	
West Lothian Education Limited	2	Ordinary	-	100.00	
BIIF Offshore Windkraft Holdings Limited	3	Ordinary	-	100.00	
PFI Infrastructure Company plc	4	Ordinary	-	100.00	
Black Hill Wind Farm Topco Limited	1	Ordinary	-	100.00	
Black Hill Wind Farm Holdco Limited	1	Ordinary	-	100.00	
Black Hill Wind Farm Limited	1	Ordinary	-	100.00	
BIIF S.a.r.l.	6	Ordinary	-	100.00	
HPC King's College Hospital (Holdings) Limited	1	Ordinary	-	75.00	
HPC King's College Hospital (Issuer) plc	1	Ordinary	-	75.00	
HPC King's College Hospital Limited	1	Ordinary	-	75.00	
Black Hill Wind Farm Topco Limited	1	Ordinary	-	100.00	
Black Hill Wind Farm Holdco Limited	1	Ordinary	-	100.00	
Black Hill Wind Farm Limited	1	Ordinary	-	100.00	
BIIF S.a.r.l.	6	Ordinary	-	100.00	
HPC King's College Hospital (Holdings) Limited	1	Ordinary	-	75.00	
HPC King's College Hospital (Issuer) plc	1	Ordinary	-	75.00	
HPC King's College Hospital Limited	1	Ordinary	-	75.00	
Catchment Moray Holdings Limited	2	Ordinary	-	85.00	
Catchment Moray Limited	2	Ordinary	-	85.00	
Catchment Tay Holdings Limited	2	Ordinary	-	51.00	
Catchment Tay Limited	2	Ordinary	-	85.00	
Lochgillphhead Healthcare Services Limited	2	Ordinary	-	54.00	
Helios B	6	Ordinary	-	90.00	
Societe des Bus Hybrides Dijonnais	6	Ordinary	-	90.00	
Connect A50 Limited	7	Ordinary	-	75.00	
Connect Roads Limited	7	Ordinary	-	75.00	
Alert Communications Group Holdings Limited	8	Ordinary	-	80.00	
Alert Communications (2006) Limited	8	Ordinary	-	80.00	
Alert Communications (Holdings) Limited	8	Ordinary	-	80.00	
Alert Communications Limited	8	Ordinary	-	80.00	

Registered office addresses (all UK unless otherwise indicated):

- 1 Cannon Place, 78 Cannon Street, London, EC4N 6AF
- 2 2nd Floor Drum Suite, Salfire Court, 20 Castle Terrace, Edinburgh, EH1 2EN
- 3 47 Esplanade, St Helier, Jersey, JE1 0DE
- 4 James House, 11-13 Hill Street, Douglas, Isle of Man, IM1 1 EF
- 5 Beaufort Court Egg Farm Lane, Off Station Road, Kings Langley, Hertfordshire, WD4 8LR
- 6, Rue Eugene Ruppert L-2453, Luxembourg
- 7 Q14 Quorum Business Park, Brenton Lane, Newcastle Upon Tyne, NE12 8BU
- 8 33 Wigmore Street, London, W1U 1QX

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

29 Subsidiaries

(Continued)

BIIF Holdco Limited has given a guarantee under section 479C of the Companies Act 2006 (the 'Act') in respect of the year ended 31 December 2023 to the following of its subsidiary companies and the following subsidiary companies are exempt from the requirements of the Act relating to the audit of individual statements by virtue of Section 479A of the Companies Act 2006:

Company Name	Registered Number
Adams Campus Limited	03351887
Alpha Schools (West Lothian) Holdings Limited	SC212847
Anavon Limited	03345300
Bannockburn Group Limited	SC237879
Bannockburn Holdings Limited	SC195478
Bannockburn Homes Limited	SC186243
BIIF Parentco Limited	06704777
Duchesspark Holdings Limited	06420368
Duchesspark Limited	04958263
I2 Holdco 2 Limited	06239026
Lanterndew Limited	05133562
M1-A1 Investments Limited	06003363
NVSH Topco Limited	06965694
Infrastructure Investors Castlehill Holdings Limited	03897418
Elbon Holdings (3) Limited	05572070
Lowdham Grange Prison Services Limited	03154430
Eastbrook Facilities Holdings Limited	04309178
Blackshaw Healthcare Services Holdings Limited	03872309
Dumfries Facilities (Holdings) Limited	SC203849
GH Bodmin Holdings Limited	03748084
GH Bury Holdings Limited	03748018
GH Newham Holdings Limited	03748050
Kinnoull House Holdings Limited	05624927
Luton Health Facilities (Holdings) Limited	03997460
Machrie Burn Limited	03719548
Newmount Holdings Limited	04212599
Wansbeck Healthcare Facilities (Holdings) Limited	03933041
Elbon PFI Fund (Investments) Limited	04196287
Morris Eddie Limited	SC201468
Newschools (Penweddig) Holdings Limited	03773789
PIF West Cumbria Limited	05780663
Robertson Education (Aberdeenshire) Group Holdings Limited	05934601
Salisbury Healthcare Facilities (Holdings) Limited	SC255428
I2 Bidco Limited	06228634
I2 Holdco Limited	06228633
Kilmarnock PFI Holdings Limited	05971387
Matrix PFI Developments Limited	05855043
Matrix PFI GP Limited	05799677
Matrix PFI Holdings Limited	06435881
Matrix FPMS Limited	06378798
Defence Management Group Holdings Limited	06385476
Matrix FPMS Holdings Limited	06434638
Matrix Premier Holdings Limited	05855031
Defence Management (Holdings) Limited	03564570
Premier Custodial Finance Limited	03849244
Premier Custodial Investments Limited	03849142
Premier Custodial Sub-debt Limited	05964120
Normanby Healthcare (Holdings) Limited	04152700
WCEM (Holdings) Limited	03955220
Robertson Education (Ingleby Barwick) (Holdings) Limited	04375611
Robertson Health (Chester le Street) Holdings Limited	04236937
SD Marine Services (Holdings) Limited	06251300
Black Hill Wind Farm Holdco Limited	08193114
Black Hill Wind Farm Topco Limited	08192398

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

30 Associates

Details of associates at 31 December 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Calderdale Hospital SPC Holdings Limited	1	Ordinary	-	20
Calderdale Hospital SPC Limited	1	Ordinary	-	20
Worcester Hospital SPC Holdings Limited	1	Ordinary	-	17
Worcester Hospital SPC plc	1	Ordinary	-	17
Manchester Schools Services Limited	2	Ordinary	-	25
Manchester School Services Holdings Limited	2	Ordinary	-	50
Road Management Services (Peterborough) Limited	2	Ordinary	-	42
Road Management Services (Gloucester) Limited	2	Ordinary	-	42
Road Management Limited	2	Ordinary	-	42
Road Management Group Limited	2	Ordinary	-	42
Road Management Consolidated Plc	2	Ordinary	-	42
Road Management Services (Darrington) Limited	2	Ordinary	-	25
Road Management Services (Darrington) Holdings Limited	2	Ordinary	-	25
Road Management Services (Finance) plc	2	Ordinary	-	25
Emblem Schools (Holdings) Limited	3	Ordinary	-	30
Emblem Schools Limited	3	Ordinary	-	30
ESP (Holdings) Limited	3	Ordinary	-	17
The Edinburgh Schools Partnership Limited	3	Ordinary	-	17
Lighting for Staffordshire Limited	4	Ordinary	-	40
Lighting for Staffordshire Holdings Limited	4	Ordinary	-	40
Albion Healthcare (Oxford) Limited	5	Ordinary	-	25
Albion Healthcare (Oxford) Holdings Limited	5	Ordinary	-	25
Salford Schools Solutions Limited	6	Ordinary	-	25
Salford Schools Solutions Holdco Limited	6	Ordinary	-	25
Connect A30/35 Limited	7	Ordinary	-	15
Connect A30/A35 Holdings Limited	7	Ordinary	-	15
Connect M77/GSO plc	7	Ordinary	-	15
CSM PPP Services Limited	8	Ordinary	-	25
CSM PPP Services (Holdings) Limited	8	Ordinary	-	25
Bangor and Nendrum Schools Services Limited	9	Ordinary	-	20
Bangor and Nendrum Schools Services Holdings Limited	9	Ordinary	-	20

Registered office addresses (all UK unless otherwise indicated):

1. 3rd Floor, 3-5 Charlotte Street, Manchester, England, M1 4HB
2. Cannon Place, 78 Cannon Street, London, EC4N 6AF
3. 2nd Floor Drum Suite, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN
4. Westwood Way, Westwood Business Park, Coventry, CV4 8LG
5. Third Floor Broad Quay House, Prince Street, Bristol, BS1 4 DJ
6. 3rd Floor, Suite 6c, Sevendale House, 5-7 Dale Street, Manchester, M1 1JB
7. Q14 Quorum Business Park, Benton Lane, Newcastle Upon Tyne, N12 8BU
8. Suite 54, Morrison Chambers, 32 Nassau Street, Dublin 2, Ireland
9. c/o Cleaver Fulton Rankin, 50 Bedford Street, Belfast, BT2 7FW

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

31 Joint ventures

Details of joint ventures at 31 December 2023 are as follows:

Name of undertaking	Registered office	Interest held	% Held	
			Direct	Indirect
The Education Support Company (Leeds) Limited	1	Ordinary	-	50.00
The Education Support Company Holdings (Leeds) Limited	1	Ordinary	-	50.00
Modern Courts (Humberside) Limited	1	Ordinary	-	50.00
Modern Courts Holdings (Humberside) Limited	1	Ordinary	-	50.00
Modern Courts (East Anglia) Limited	1	Ordinary	-	50.00
Modern Courts Holdings (East Anglia) Limited	1	Ordinary	-	50.00
Consort Healthcare (Durham) Limited	1	Ordinary	-	50.00
Consort Healthcare (Durham) Holdings Limited	1	Ordinary	-	50.00
Key Health Services (Addenbrookes) Limited	1	Ordinary	-	50.00
Key Health Services Holdings (Addenbrookes) Limited	1	Ordinary	-	50.00
Sheppey Route Limited	1	Ordinary	-	50.00
Sheppey Route (Holdings) Limited	1	Ordinary	-	50.00
Hounslow Highways Services Limited	1	Ordinary	-	50.00
Hounslow Highways Investment Limited	1	Ordinary	-	50.00
Hounslow Highways Investment 2 Limited	1	Ordinary	-	50.00
Blue Transmission Walney 1 Limited	1	Ordinary	-	50.00
Blue Transmission Walney 1 (Holdings) Limited	1	Ordinary	-	50.00
Blue Transmission Walney 2 Limited	1	Ordinary	-	50.00
Blue Transmission Walney 2 (Holdings) Limited	1	Ordinary	-	50.00
Blue Transmission London Array Limited	1	Ordinary	-	50.00
Blue Transmission London Array (Holdings) Limited	1	Ordinary	-	50.00
Blue Transmission Sheringham Shoal Limited	1	Ordinary	-	50.00
Blue Transmission Sheringham Shoal (Holdings) Limited	1	Ordinary	-	50.00
Schools Capital Limited	1	Ordinary	-	49.00
Summit Healthcare (Wishaw) Limited	2	Ordinary	-	60.00
Summit Holdings (Wishaw) Limited	2	Ordinary	-	60.00
Summit Finance (Wishaw) plc	2	Ordinary	-	60.00
PPP Services (North Ayrshire) Holdings Limited	2	Ordinary	-	25.00
PPP Services (North Ayrshire) Limited	2	Ordinary	-	25.00
FCC (East Ayrshire) Holdings Limited	2	Ordinary	-	25.00
FCC (East Ayrshire) Limited	2	Ordinary	-	25.00
Stobhill Healthcare Facilities (Holdings) Limited	2	Ordinary	-	60.00
Stobhill Healthcare Facilities Limited	2	Ordinary	-	60.00
Consort Healthcare (Edinburgh Royal Infirmary) Finance Limited	2	Ordinary	-	50.00
Consort Healthcare (Edinburgh Royal Infirmary) Limited	2	Ordinary	-	50.00
Consort Healthcare (Edinburgh Royal Infirmary) Holdings Limited	2	Ordinary	-	50.00
Consort Healthcare (Edinburgh Royal Infirmary) Investments Limited	2	Ordinary	-	50.00
Glasgow Healthcare Facilities Limited	2	Ordinary	-	50.00
Glasgow Healthcare Facilities (Holdings) Limited	2	Ordinary	-	50.00
Stirling Gateway Limited	2	Ordinary	-	50.00
Stirling Gateway HC Limited	2	Ordinary	-	50.00
Sewell Education (York) Limited	3	Ordinary	-	50.00
Sewell Education (York) Holdings Limited	3	Ordinary	-	50.00
Fasttrax Limited	4	Ordinary	-	50.00

BIIF HOLDCO LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

31 Joint ventures

(Continued)

Name of undertaking	Registered office	Interest	% Held
Fasttrax Holdings Limited	4	Ordinary	- 50.00
Connect M1-A1 Limited	5	Ordinary	- 50.00
Connect M1-A1 Holdings Limited	5	Ordinary	- 50.00
Blue Transmission Investments Limited	6	Ordinary	- 50.00
Blue Transmission Walney 2 Investments Limited	6	Ordinary	- 50.00
Blue Transmission Sheringham Shoal Investmensts Limited	6	Ordinary	- 50.00
Genistics Limited	7	Ordinary	- 50.00
Genistics Holdings Limited	7	Ordinary	- 50.00
The Walsall Hospital Company (Holdings) Limited	8	Ordinary	- 50.00
The Walsall Hospital Company plc	8	Ordinary	- 50.00
SAS Canopee IML Partnership	9	Ordinary	- 50.00
Helios A	10	Ordinary	- 56.00
Ligerea	10	Ordinary	- 60.00

Registered office addresses (all UK unless otherwise indicated):

1. Cannon Place, 78 Cannon Street, London, EC4N 6AF
2. 2nd Floor Drum Suite, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN
3. Geneva Way, Leads Road, Hull, North Humberside, HU7 0DG
4. Hill Park Court, Springfield Drive, Leatherhead, Surrey, KT22 7NL
5. Q14 Quorum Business Park, Benton Lane, Newcastle Upon Tyne, N12 8BU
6. 47 Esplanade, St Helier, Jersey, JE1 0BD
7. Rolls Royce Plc, Moor Lane, Derby, Derbyshire, DE24 8BJ
8. 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG
9. 3 Rue de Vienne, 75008 Paris, France
10. 6 Rue Eugene Ruppert, L-2453, Luxembourg