



**Justice Support Services (North Kent) Holdings Limited**  
**Annual Report and Financial Statements**  
**31 March 2017**

TUESDAY



\*S6EU7R00\*

SCT

12/09/2017

#67

COMPANIES HOUSE

# **Justice Support Services (North Kent) Holdings Limited**

## **Annual Report and Financial Statements**

**Year Ended 31 March 2017**

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	<b>1</b>
Directors' report	<b>2</b>
Directors' responsibilities statement	<b>4</b>
Independent auditors' report to the members	<b>5</b>
Statement of comprehensive income	<b>8</b>
Statement of financial position	<b>9</b>
Statement of changes in equity	<b>10</b>
Notes to the financial statements	<b>11</b>

# **Justice Support Services (North Kent) Holdings Limited**

## **Officers and Professional Advisers**

### **The Board of Directors**

K M Hill  
M Donn  
A Waddington  
C Oxby (Resigned 19 October 2016)  
CWG Herriott (Served from 19 October 2016 to 23 August 2017)  
L J Falero (Appointed 23 August 2017)

### **Company Secretary**

Infrastructure Managers Limited

### **Registered Office**

Cannon Place  
78 Cannon Street  
London  
EC4N 6AF

### **Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants  
Level 4  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX

# **Justice Support Services (North Kent) Holdings Limited**

## **Directors' Report**

### **Year Ended 31 March 2017**

The directors present their report and the financial statements of the company for the year ended 31 March 2017.

#### **Principal Activities**

The Company is an investment holding company whose sole business is the holding of an investment in its wholly owned subsidiary, Justice Support Services (North Kent) Limited. The principal activities of the subsidiary company are the design, construction, financing, supply of certain services and maintenance of a police station with a custodial unit in accordance with the terms of an agreement with Kent Police Authority. This agreement together with a loan facilities agreement, a construction contract, a facilities management contract and other related contracts were signed on 21 July 2006. The concession period runs for a period of 30 years from this date.

#### **Performance Review**

The profit for the year, after taxation, amounted to £212,000 (2016: £245,000).

The profit for the year will be transferred to reserves.

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

#### **Key performance indicators**

The performance of the Company is assessed six monthly through the cashflow of Justice Support Services (North Kent) Limited against a number of covenants set out in its Loan Agreement; the key indicator being the forward and historic annual debt service cover ratio. Justice Support Services (North Kent) Limited has been performing well and has been compliant with the covenants set out in the Loan Agreement.

#### **Directors**

The directors who served the company during the year and up to the date of this report were as follows:

K M Hill	
M Donn	
A Waddington	
CWG Herriott	(Appointed 19 October 2016)
L J Falero	(Appointed 23 August 2017)
C Oxby	(Resigned 19 October 2016)
	(Appointed 19 October 2016 and
CWG Herriott	resigned 23 August 2017)

#### **Dividends**

Particulars of dividends paid are detailed in note 10 to the financial statements.

#### **Small company provisions**

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

# Justice Support Services (North Kent) Holdings Limited

## Directors' Report *(continued)*

**Year Ended 31 March 2017**

### Disclosure of information to auditors

In so far as the directors are aware:

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

The auditor is deemed to have been reappointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on **30 AUGUST** 2017 and signed by order of the board by:



Infrastructure Managers Limited  
Company Secretary

Registered office:  
Cannon Place  
78 Cannon Street  
London  
EC4N 6AF

# Justice Support Services (North Kent) Holdings Limited

## Directors' Responsibilities Statement

### Year Ended 31 March 2017

The directors are responsible for preparing the Directors' 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 Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The Directors' Responsibilities were approved by the board on **30 AUGUST** 2017 and signed on its behalf by:



M Donn

Director

Registered office:  
Cannon Place  
78 Cannon Street  
London  
EC4N 6AF

# **Justice Support Services (North Kent) Holdings Limited**

## **Independent Auditors' Report to the Members of Justice Support Services (North Kent) Holdings Limited**

**Year Ended 31 March 2017**

### **Our opinion**

In our opinion, Justice Support Services (North Kent) Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **What we have audited**

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 March 2017;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the Notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

# **Justice Support Services (North Kent) Holdings Limited**

## **Independent Auditors' Report to the Members of Justice Support Services (North Kent) Holdings Limited** *(continued)*

**Year Ended 31 March 2017**

### **Other matters on which we are required to report by exception**

#### **Adequacy of accounting records and information and explanations received**

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

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

We have no exceptions to report arising from this responsibility.

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

#### **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 from preparing a strategic report. We have no exceptions to report arising from this responsibility.

### **Responsibilities for the financial statements and the audit**

#### **Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.



# Justice Support Services (North Kent) Holdings Limited

## Independent Auditors' Report to the Members of Justice Support Services (North Kent) Holdings Limited *(continued)*

**Year Ended 31 March 2017**

### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Paul Cheshire (Senior Statutory Auditor)

For and on behalf of  
PricewaterhouseCoopers LLP  
Chartered Accountants  
Edinburgh

30 AUGUST 2017

# Justice Support Services (North Kent) Holdings Limited

## Statement of Comprehensive Income

Year Ended 31 March 2017

	Note	2017 £	2016 £
Income from shares in group undertakings	6	212,000	245,000
Other interest receivable and similar income	7	464,593	464,593
Interest payable and similar expenses	8	(464,593)	(464,593)
<b>Profit before taxation</b>		<b>212,000</b>	<b>245,000</b>
Tax on profit	9	—	—
<b>Profit for the financial year and total comprehensive income</b>		<b><u>212,000</u></b>	<b><u>245,000</u></b>

All the activities of the company are from continuing operations.

The notes on pages 11 to 16 form part of these financial statements.

# Justice Support Services (North Kent) Holdings Limited

## Statement of Financial Position

As at 31 March 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Investments	11	10,000	10,000
<b>Current assets</b>			
Debtors: due after more than one year	12	3,861,950	3,861,950
<b>Net current assets</b>		<u>3,861,950</u>	<u>3,861,950</u>
<b>Total assets less current liabilities</b>		<u>3,871,950</u>	<u>3,871,950</u>
<b>Creditors: amounts falling due after more than one year</b>	13	<u>(3,861,950)</u>	<u>(3,861,950)</u>
<b>Net assets</b>		<u>10,000</u>	<u>10,000</u>
<b>Capital and reserves</b>			
Called up share capital	14	10,000	10,000
Retained earnings	15	—	—
<b>Shareholders' funds</b>		<u>10,000</u>	<u>10,000</u>

These financial statements were approved by the board of directors and authorised for issue on 3. AUGUST 2017, and are signed on behalf of the board by:



M Donn

Director

Company registration number: 05826005

The notes on pages 11 to 16 form part of these financial statements.

# Justice Support Services (North Kent) Holdings Limited

## Statement of Changes in Equity

Year Ended 31 March 2017

		Called up share capital £	Retained earnings £	Total £
<b>At 1 April 2015</b>		10,000	–	10,000
Profit for the year			245,000	245,000
<b>Total comprehensive income for the year</b>		–	245,000	245,000
Dividends paid and payable	<b>10</b>	–	(245,000)	(245,000)
<b>Total investments by and distributions to owners</b>		–	(245,000)	(245,000)
<b>At 31 March 2016</b>		10,000	–	<b>10,000</b>
Profit for the year			212,000	<b>212,000</b>
<b>Total comprehensive income for the year</b>		–	212,000	<b>212,000</b>
Dividends paid and payable	<b>10</b>	–	(212,000)	<b>(212,000)</b>
<b>Total investments by and distributions to owners</b>		–	(212,000)	<b>(212,000)</b>
<b>At 31 March 2017</b>		<u>10,000</u>	<u>–</u>	<u><b>10,000</b></u>

The notes on pages 11 to 16 form part of these financial statements.

# **Justice Support Services (North Kent) Holdings Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 March 2017**

#### **1. Statement of compliance**

The individual financial statements of Justice Support Services (North Kent) Holdings Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006 and the Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 (SI 2015/980).

#### **2. General information**

Justice Support Services (North Kent) Holdings Limited ('the company') is incorporated and domiciled in the UK. The address of its registered office is Cannon Place, 78 Cannon Street, London, EC4N 6AF.

The Company is an investment holding company whose sole business is the holding of an investment in its wholly owned subsidiary, Justice Support Services (North Kent) Limited.

The company's functional and presentation currency is the pound sterling.

#### **3. Accounting policies**

##### **(a) Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed further in the accounting policies.

The accounting policies stated below have been consistently applied to the years presented, unless otherwise stated.

##### **(b) Disclosure exemptions**

The company has taken advantage of the exemption in FRS 102 Section 7 'Statement of Cash Flows' part 1B, which states that a small company is not required to prepare a cash flow statement.

The Company has taken advantage of the exemption in section 33 of FRS 102 'Related Party Disclosures', that allows it not to disclose transactions with wholly owned members of a group.

##### **(c) Consolidation**

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

# Justice Support Services (North Kent) Holdings Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2017

#### 3. Accounting policies *(continued)*

##### **(d) Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

##### i) Hedge accounting and consideration of the fair value of derivative financial instruments

The Company uses derivative financial instruments to hedge certain economic exposures in relation to movements in interest rates as compared with the position that was expected at the date the underlying transaction being hedged was entered into. The Company fair values its derivative financial instruments and records the fair value of those instruments on its balance sheet. No market prices are available for these instruments and consequently the fair values are derived using financial models developed by the shareholders based on counterparty information that is independent of the Company, but use observable market data in respect of interest rates as an input to valuing those derivative financial instruments. There is also a judgement on whether an economic hedge relationship exists in order to achieve hedge accounting. Appropriate documentation has been prepared detailing the economic relationship between the hedging instrument and the underlying loan being hedged.

##### ii) Income taxation

##### Current taxation

The taxation charge or credit arising on profit before taxation and in respect of gains or losses recognised through other comprehensive income reflect the tax rates in effect or substantively enacted at the balance sheet date as appropriate. The determination of appropriate provisions for taxation requires the Directors to take into account anticipated decisions of HM Revenue and Customs which inevitably requires the Directors to use judgements as to the appropriate estimate of taxation provisions.

##### Deferred taxation

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Judgements are required to be made as to the calculation and identification of timing differences and in the case of the recognition of deferred taxation assets, the Directors have to form an opinion as to whether it is probable that the deferred taxation asset recognised is recoverable against future taxable profits arising. This exercise of judgement requires the Directors to consider forecast information over a long time horizon having regard to the risks that the forecasts may not be achieved and then form a reasonable opinion as to the recoverability of the deferred taxation asset.

##### Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty are as follows:

##### i) Impairment of assets

The carrying value of those assets recorded in the Company's Statement of Financial Position, at amortised cost, 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

# Justice Support Services (North Kent) Holdings Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2017

#### 3. Accounting policies *(continued)*

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 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.

##### ii) Accounting for service concession arrangements

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

#### (e) Income tax

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### i) Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### (f) Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

#### (g) Cash and cash equivalents

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

#### (h) Borrowings

Borrowings are recognised at amortised cost using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to the borrowings are recognised in the Statement of Comprehensive Income over the life of the borrowings. Borrowings with maturities greater than twelve months after the reporting date are classified as non-current liabilities.

# Justice Support Services (North Kent) Holdings Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2017

#### 4. Auditors' remuneration

The audit fee of £2,208 (2016: £2,688) was borne by the subsidiary company Justice Support Services (North Kent) Limited. The audit fee of £2,688 (2016: £2,400) was borne by the subsidiary company Justice Support Services (North Kent) Limited.

#### 5. Particulars of employees and directors

The average number of persons employed by the company during the financial year, including the directors, amounted to nil (2016: nil). The directors did not receive any remuneration from the Company during the year (2016: £nil).

#### 6. Income from shares in group undertakings

	2017	2016
	£	£
Income from group undertakings	<u>212,000</u>	<u>245,000</u>

#### 7. Other interest receivable and similar income

	2017	2016
	£	£
Interest from Group undertakings	<u>464,593</u>	<u>464,593</u>

#### 8. Interest payable and similar expenses

	2017	2016
	£	£
Interest due to Group undertakings	<u>464,593</u>	<u>464,593</u>

#### 9. Tax on profit

##### Reconciliation of tax income

The tax assessed on the profit for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 20% (2016: 20%).

	2017	2016
	£	£
Profit before taxation	<u>212,000</u>	<u>245,000</u>
Profit by rate of tax	<u>42,400</u>	<u>49,000</u>
Income not taxable	<u>(42,400)</u>	<u>(49,000)</u>
Tax on profit	<u>—</u>	<u>—</u>

#### 10. Dividends

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

	2017	2016
	£	£
Dividends of £21.20 (2016: £24.50) per ordinary share	<u>212,000</u>	<u>245,000</u>



# Justice Support Services (North Kent) Holdings Limited

## Notes to the Financial Statements *(continued)*

Year Ended 31 March 2017

### 11. Investments

	Shares in group undertakings £
<b>Cost</b>	
At 1 Apr 2016 and 31 Mar 2017	<u>10,000</u>
<b>Impairment</b>	
At 1 Apr 2016 and 31 Mar 2017	<u>-</u>
<b>Carrying amount</b>	
At 31 March 2017	<u>10,000</u>

### Subsidiaries, associates and other investments

The company owns 100% of the issued share capital of Justice Support Services (North Kent) Limited.

	2017 £	2016 £
Aggregate capital and reserves	(8,283,575)	(8,156,968)
Profit/(Loss) for the year	204,265	273,374

The directors acknowledge the investment is in net liabilities, the cause of this is due to the derivative financial instruments being brought onto the balance sheet. The directors have reviewed the investments forecasts and projections and have reasonable expectation that no impairment indicators exist and the investment will continue in operation existence for the foreseeable future.

### 12. Debtors

Debtors falling due after one year are as follows:

	2017 £	2016 £
Amounts owed by group undertakings	<u>3,861,950</u>	<u>3,861,950</u>

Amounts owed by group undertakings greater than one year consists of loans due from the subsidiary. This is a subordinated loan due from Justice Support Services (North Kent) Limited which carries an annual interest rate of 12.03% and is repayable in September 2036.

### 13. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Amounts owed to group undertakings	<u>3,861,950</u>	<u>3,861,950</u>

The subordinated loan stock is unsecured and bears interest at 12.03%. The subordinated loan facility is repayable as a bullet payment in September 2036.

# Justice Support Services (North Kent) Holdings Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2017

#### 14. Called up share capital

##### Issued, called up and fully paid

	2017		2016	
	No	£	No	£
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

#### 15. Reserves

Retained earnings - This reserve records retained earnings and accumulated losses.

#### 16. Related party transactions

The following disclosures are with entities in the group that are not wholly owned:

Aberdeen Infrastructure (No.3) Limited is a 50% shareholder in the Company and an associated company, Aberdeen Infrastructure Limited, is the holder of £1,930,975 (2016: £1,930,975) in subordinated loan notes due from the company. Interest expense in the year was £232,296 (2016: £232,296), of which £nil (2016: £nil) was outstanding at year end. The company paid £9,895 (2016: £9,684) to Aberdeen Infrastructure Finance GP Limited for the provision of two directors.

DIF Infrastructure III CV is a 50% shareholder in the Company and is the holder of £1,930,975 (2016: £1,930,975) in subordinated loan notes due from the company. Interest expense in the year was £232,296 (2016: £232,296), of which £nil (2016: £nil) was outstanding at year end. The company paid £9,895 (2016: £9,684) to DIF Infrastructure III CV for the provision of two directors.

#### 17. Controlling party

The share capital of the Company is jointly held by Aberdeen Infrastructure (No.3) Limited and DIF Infra 3 UK Limited. Each party holds 50% and thus it is the directors' opinion that there remains no ultimate controlling party.

Aberdeen Infrastructure (No.3) Limited and DIF Infra 3 UK Limited are incorporated in the United Kingdom and registered in England and Wales. Copies of the accounts of these companies can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.