

**Aberdeen UK Infrastructure
GP Limited**

**Annual Report and Audited
Financial Statements**

For the year ended 31 December 2016

Company Number 8133931

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ABERDEEN UK INFRASTRUCTURE GP LIMITED

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ABERDEEN UK INFRASTRUCTURE GP LIMITED

SUMMARY OF DIRECTORS AND ORGANISATION

DIRECTORS:	M S Amin G D Cohen I H-Y Wong
REGISTERED OFFICE:	Bow Bells House 1 Bread Street London EC4M 9HH
SECRETARY AND ADMINISTRATOR:	State Street (Guernsey) Limited PO Box 543 First Floor Dorey Court Admiral Park St Peter Port Guernsey GY1 6HJ
INDEPENDENT AUDITOR:	PricewaterhouseCoopers CI LLP P.O. Box 321 Royal Bank Place 1 Glatigny Esplanade St Peter Port Guernsey GY1 4ND
BANKER:	Lloyds Bank International Limited Samia House Le Truchot St Peter Port Guernsey GY1 6HJ
INVESTMENT MANAGER:	Aberdeen Fund Managers Limited Bow Bells House 1 Bread Street London EC4M 9HH

ABERDEEN UK INFRASTRUCTURE GP LIMITED

REPORT OF THE DIRECTORS

For the year ended 31 December 2016

The Directors present their annual report and audited financial statements for Aberdeen UK Infrastructure GP Limited (the "Company") for the year ended 31 December 2016.

The Company qualifies as a small company in accordance with Sections 381-382 of the Companies Act 2006 (the "Act") and the Report of the Directors has therefore been prepared taking into consideration the provisions of Part 15 of the Act. The Company has taken advantage of exemptions available to small sized entities as defined in the Act.

In preparing this report, the Directors have taken advantage of the small companies exemption provided by Section 418 of the Act and have not prepared a strategic report.

Principal Activity

The Company's principal activity during the year was to act as General Partner to Aberdeen UK Infrastructure Partners LP ("AUKIPLP" or the "Fund"). The Company ceased to act as the General Partner to Aberdeen UK Infrastructure Co-Invest LP following the sale of its assets to a Third Party in 2015. At the Statement of Financial Position date the Company was an indirect subsidiary of Aberdeen Asset Management PLC ("Aberdeen"). On 14 August 2017 Aberdeen was party to an all-share merger with Standard Life PLC, at which point the Company's ultimate parent undertaking became Standard Life Aberdeen PLC.

Principal risks and uncertainties

The Company is not exposed to significant operational risks and operates under the Aberdeen Group risk management framework. The Company is exposed to specific financial risks as described in Note 7. The Directors of the Company meet regularly to consider the risks facing the Company and controls required to manage these risks.

Key performance indicators

Given the straightforward nature of the business, the Directors believe that analysis using key performance indicators is not necessary or appropriate to understand the development, performance or financial position of the Company.

Business review and future developments

The Company's total comprehensive income for the year was GBPnil (2015: GBPnil). No dividends were paid during the year (2015: GBPnil).

The Company remains committed to support the business of the Fund and will continue to act as General Partner in the future.

Directors

The Directors at the date of this report are as stated on page 1 and all served throughout the year, unless otherwise stated.

Audit Information

The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Independent Auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Independent Auditor is aware of that information.

ABERDEEN UK INFRASTRUCTURE GP LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 December 2016

Statement of Directors' responsibilities in respect of the financial statements

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

The Act requires the Directors to prepare financial statements for each financial year. Under the Act, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRSs"). Under the Act, 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 year.

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

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

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the Company and enable the Directors to ensure that the financial statements comply with the Act and IFRSs. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

On behalf of the Board,



I H-Y Wong
Director
28 September 2017

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ABERDEEN UK INFRASTRUCTURE GP LIMITED**

Report on the financial statements

Our opinion

In our opinion, Aberdeen UK Infrastructure GP Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; 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 Audited Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2016;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows 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 IFRSs as adopted by the European Union, and applicable law.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors 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 Report of the Directors. We have nothing to report in this respect.

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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABERDEEN UK INFRASTRUCTURE GP LIMITED (CONTINUED)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements set out on page 3, 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.

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 Report of the Directors, we consider whether this report includes the disclosures required by applicable legal requirements.



Adrian Peacegood (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers CI LLP
Chartered Accountants and Statutory Auditors
Guernsey, Channel Islands
28 September 2017

ABERDEEN UK INFRASTRUCTURE GP LIMITED

STATEMENT OF COMPREHENSIVE INCOME **For the year ended 31 December 2016**

	<i>Notes</i>	2016 GBP	2015 GBP
Income			
Bank interest income		64	308
General Partner's Share		2,039,598	2,123,918
Total income		2,039,662	2,124,226
Expenses			
Administration fees		13,933	8,456
Audit remuneration	3	5,150	6,180
Management fees		1,999,722	2,105,169
Professional fees		20,697	4,200
Bank charges		160	221
Total expenses		2,039,662	2,124,226
Profit on ordinary activities before tax		-	-
Tax		-	-
Profit on ordinary activities after tax		-	-
Total comprehensive income for the year		-	-
Attributable to Equity holder:			
Total comprehensive income for the year		-	-

Continuing operations

All amounts reported in the Statement of Comprehensive Income for the years ended 31 December 2016 and 31 December 2015 relate to continuing operations.

The notes on pages 10 to 16 form part of these financial statements.

ABERDEEN UK INFRASTRUCTURE GP LIMITED**STATEMENT OF FINANCIAL POSITION****As at 31 December 2016**

	<i>Notes</i>	2016 GBP	2015 GBP
Assets			
Current assets			
Receivables	4	1,940,250	564,830
Cash and cash equivalents		196,048	9,637
Total current assets		2,136,298	574,467
Total assets		2,136,298	574,467
Equity and liabilities			
Equity			
Share capital	5	1,000	1,000
Total equity		1,000	1,000
Liabilities			
Current liabilities			
Payables and accruals	6	2,135,298	573,467
Total liabilities		2,135,298	573,467
Total equity and liabilities		2,136,298	574,467

The financial statements were authorised for issue by the Board of Directors of the Company on 28 September 2017 and signed on its behalf by:



I H-Y Wong
Director
28 September 2017

The notes on pages 10 to 16 form part of these financial statements.

ABERDEEN UK INFRASTRUCTURE GP LIMITED**STATEMENT OF CHANGES IN EQUITY**
For the year ended 31 December 2016

	Share capital GBP	Retained earnings GBP	Total equity GBP
Balance at 1 January 2015	1,000	-	1,000
Total comprehensive income for the year	-	-	-
Balance at 31 December 2015	1,000	-	1,000
Total comprehensive income for the year	-	-	-
Balance at 31 December 2016	1,000	-	1,000

The notes on pages 10 to 16 form part of these financial statements.

ABERDEEN UK INFRASTRUCTURE GP LIMITED

STATEMENT OF CASH FLOWS**For the year ended 31 December 2016**

	2016 GBP	2015 GBP
Cash flows from operating activities		
Adjusted for:		
Total comprehensive income for the year	-	-
(Increase) / decrease in receivables	(1,375,420)	35,313
Increase / (decrease) in payables and accruals	1,561,831	(85,724)
Net cash flows generated from / (used in) operating activities	186,411	(50,411)
Net increase / (decrease) in cash and cash equivalents	186,411	(50,411)
Cash and cash equivalents at 1 January	9,637	60,048
Cash and cash equivalents at 31 December	196,048	9,637

The notes on pages 10 to 16 form part of these financial statements.

ABERDEEN UK INFRASTRUCTURE GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS **For the year ended 31 December 2016**

1. GENERAL INFORMATION

The Company is domiciled in the United Kingdom. The address of its registered office is Bow Bells House, 1 Bread Street, London, EC4M 9HH.

The Company's business activities, together with expected future developments and key risks facing the Company, are detailed in the Report of the Directors.

The financial statements were authorised for issue by the Board of Directors of the Company on 28 September 2017.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the year, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Company have been prepared on a going concern basis and in accordance with IFRSs. The Directors have considered the presentational requirements of the Act and amended the format so that the financial statements present each line item in a manner that reflects its nature. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

(a) Standards and amendments to existing standards effective 1 January 2016

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 January 2016 that would be expected to have a material impact on the Company's financial results.

(b) New standards, amendments and interpretations effective after 1 January 2016 and not early adopted

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. An updated version of IFRS 9 was issued on 10 November 2013. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The Company is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the required accounting period beginning on or after the date advised by the IASB. The effective date in place for IFRS 9 is 1 January 2018.

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2016, and have not been applied in preparing these financial statements. None of these are expected to have a significant impact on the financial statements of the Company.

ABERDEEN UK INFRASTRUCTURE GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Going concern

The Company holds positive net assets and has a positive cash position. The Board believes that the Company holds adequate financial resources to continue in business for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Board of Directors consider Pound Sterling ("GBP") as the functional and presentation currency of the Company. This is the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions of the Company. The Company receives fee income, pays management fees and other operating expenditure in GBP, which is also the currency in which the share capital is denominated.

2.4 Receivables

Receivables are initially recognised at fair value and measured subsequently at amortised cost using the effective interest rate method. As at 31 December 2016 and 2015, the carrying amounts of the receivables approximate to their fair value.

2.5 Cash and cash equivalents

Cash and cash equivalents consist of cash balances that are freely available with a maturity of three months or less. As at 31 December 2016 and 2015, the carrying amounts of cash and cash equivalents approximate to their fair value.

2.6 Payables and accruals

Payables and accruals are initially recognised at fair value and measured subsequently at amortised cost using the effective interest rate method. Payables and accruals are derecognised when the obligation under the liability is discharged, cancelled or expires. As at 31 December 2016 and 2015, the carrying amounts of payables and accruals approximate to their fair value.

2.7 General Partner's Share / General Partner's Share Receivable

In accordance with Clause 9.1 and 9.2 of the Limited Partnership Agreement of Aberdeen UK Infrastructure Partners LP dated 10 July 2012 restated and amended per LPA dated 18 May 2015, the Company is entitled to receive a General Partner's Share ("GPS"). There shall be allocated to the Company as a first charge on the Net Income and Capital Gains of the Fund, an amount equal to the GPS for that Accounting Period.

GPS is recognised when the right to receive payment is established. General Partner's Share is initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

ABERDEEN UK INFRASTRUCTURE GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 General Partner's Share / General Partner's Share Receivable (continued)

The General Partner's Share for each Accounting Period shall be payable quarterly in arrears on each Quarter Date (or if any such date is not a Business Day on the next following Business Day) and subject as provided below, shall be an amount equal to:

- (i) in respect of the period from the First Closing Date up to and including the date on which the Investment Period ends a certain percentage per annum of Total Commitments; and
- (ii) in respect of the period after the end of the Investment Period, a certain percentage per annum of Invested Capital.

The GPS shall be reduced by deducting an amount equal to 100% of any transaction fees, abort fees and other fees earned by the General Partner, Investment Manager or any associate of either.

2.8 Expenses

Expenses are recognised on an accruals basis.

Management fees represent the Company's share of the General Partner fees payable to Aberdeen Fund Managers Limited in lieu of the provision of services as the Investment Manager to the Fund. Management fees are limited to any surplus income after all expenses have been settled.

2.9 Taxation

The Company is subject to UK corporation tax at 20% on its profits (2015: 20.25%).

2.10 Critical accounting estimates and judgements

Management have not used any significant accounting estimates or judgements when preparing the financial statements.

3. EXPENSES

3.1 Audit remuneration

Fees charged by the Company's Independent Auditor for the audit of the Company's financial statements for the year ended 31 December 2016 were GBP5,150 (2015: GBP6,180).

3.2 Staff costs

The Company has no employees. The Directors of the Company waived their right to receive Directors' remuneration.

ABERDEEN UK INFRASTRUCTURE GP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****For the year ended 31 December 2016****4. RECEIVABLES**

	2016 GBP	2015 GBP
GPS receivable	1,940,250	564,830

5. SHARE CAPITAL

	2016 GBP	2015 GBP
Authorised Numbers ordinary shares of GBP1 nominal value	unlimited	unlimited
Issued and fully paid 1,000 ordinary shares of GBP1 nominal value	1,000	1,000

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the Company.

6. PAYABLES AND ACCRUALS

	2016 GBP	2015 GBP
Administration fees	3,375	3,459
Audit fees	5,000	5,000
Amounts due to Aberdeen Group companies	1,993,722	508,268
Other payables	50,601	50,740
Professional fees	9,000	6,000
Amounts due to the Fund	73,600	-
	2,135,298	573,467

Amounts due to Aberdeen Group companies include management fees which are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Amounts due to the Fund were settled in full after the year end.

ABERDEEN UK INFRASTRUCTURE GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

7. FINANCIAL RISK MANAGEMENT

7.1 Financial risk factors

The objective of the Company is to act as General Partner to the Fund. Certain activities could expose the Company to financial risks: market risk (including currency risk, interest rate risk, and other price risk), credit risk and liquidity risk.

7.1.1 Market risk

Market risk is defined as the potential loss in value or earnings of the Company arising from changes in external market factors.

(a) Price risk

Price risk arises from the Company's indirect exposure to the investments held by AUKIPLP, to which it acts as General Partner, due to their valuation which is used in determining the management fee income received by the Company.

The performance of each investment is continually monitored and reflected, where appropriate, in the GPS earned.

(b) Interest rate risk

The Company is not directly affected by changes in interest rates; however, its management fees received from AUKIPLP will fluctuate as changes in interest rates affect the valuation of AUKIPLP.

(c) Currency risk

Currency risk arises on balances denominated in a currency other than GBP. The operations of the Company are denominated in GBP therefore the Company does not have any exposure to currency risk.

7.1.2 Credit risk

Credit risk is the risk of financial loss from a counter party's failure to settle financial obligations as they fall due. The Company's credit risk is concentrated because amounts due are solely from the Fund, however given the nature of the GP's relationship with the Fund and given its activities, the Directors consider that the risk of default is small. The maximum exposure to credit risk comprises of cash and cash equivalents and the carrying amount of the financial assets as disclosed in Note 4.

7.1.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations. This risk can arise from mismatches in the timing of cash flows relating to assets and liabilities. The Company receives a GPS on a quarterly basis and does not have significant ad hoc expenses to settle. The only significant expense that the Company is exposed to is the management fee which is limited to any surplus income after all expenses have been settled.

Any liabilities of the Company incurred in its capacity as General Partner of the Fund are met out of the assets of the Fund in accordance with the amended and restated limited partnership agreement dated 18 May 2015.

ABERDEEN UK INFRASTRUCTURE GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

7. FINANCIAL RISK MANAGEMENT (CONTINUED)

7.2 Capital risk management

The capital of the Company is represented by the net assets attributable to its Shareholder. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for its Shareholder and to maintain a strong capital base to support the development of the operating activities of the Company.

8. FINANCIAL INSTRUMENTS BY CATEGORY

	Loans and receivables GBP	Total GBP
As at 31 December 2016		
Assets		
Receivables	1,940,250	1,940,250
Cash and cash equivalents	196,048	196,048
	<u>2,136,298</u>	<u>2,136,298</u>
As at 31 December 2015		
Assets		
Receivables	564,830	564,830
Cash and cash equivalents	9,637	9,637
	<u>574,467</u>	<u>574,467</u>
	Other financial liabilities at amortised cost GBP	Total GBP
As at 31 December 2016		
Liabilities		
Payables and accruals	2,135,298	2,135,298
	<u>2,135,298</u>	<u>2,135,298</u>
As at 31 December 2015		
Liabilities		
Payables and accruals	573,467	573,467
	<u>573,467</u>	<u>573,467</u>

ABERDEEN UK INFRASTRUCTURE GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

9. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

No dividends were paid during the year (2015: GBPnil).

The Company is the General Partner of the Fund. During the year, the Company earned GPS amounting to GBP2,039,598 (2015: GBP2,123,918). At 31 December 2016, the Company was owed by the Fund GBP1,940,250 (2015: GBP564,830) in respect of GPS.

The Company pays the Investment Manager management fees arising from the provision of services by the Investment Manager to the Funds. During the year, the Investment Manager earned GBP1,999,722 (2015: GBP2,105,169), of which GBP1,993,722 (2015: GBP508,268) was outstanding at year end.

During the year amounts of GBP11,600 and GBP 62,000 were loaned to the Company from Aberdeen Infrastructure Partners LP and Aberdeen Infrastructure Investments (No 6) Limited respectively on a short term interest free basis to cover expenses.

10. ULTIMATE CONTROLLING PARTY

The Company's immediate parent is Aberdeen Alternatives (Holdings) Limited and, at the Statement of Financial Position date, the Company's ultimate parent undertaking and controlling party was Aberdeen Asset Management PLC ("AAM PLC"). The accounts of AAM PLC, including the results of the Company, are available to the public and may be obtained from 10 Queens Terrace, Aberdeen, AB10 1YG. On 14 August 2017 Aberdeen was party to an all-share merger with Standard Life PLC, at which point the Company's ultimate parent undertaking became Standard Life Aberdeen PLC.

11. SUBSEQUENT EVENTS

At the Statement of Financial Position date the Company was an indirect subsidiary of Aberdeen Asset Management PLC ("Aberdeen"). On 14 August 2017 Aberdeen was party to an all-share merger with Standard Life PLC, at which point the Company's ultimate parent undertaking became Standard Life Aberdeen PLC.

Aberdeen UK Infrastructure Partners LP

Annual Report and Audited Financial Statements

For the year ended 31 December 2016

THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No. 00000000000000000000

THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No. 8133431.....



ABERDEEN UK INFRASTRUCTURE PARTNERS LP

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ABERDEEN UK INFRASTRUCTURE PARTNERS LP

SUMMARY OF OFFICERS AND PROFESSIONAL ADVISERS

GENERAL PARTNER:	Aberdeen UK Infrastructure GP Limited Bow Bells House 1 Bread Street London EC4M 9HH
DIRECTORS OF THE GENERAL PARTNER:	G D Cohen M S Amin I H Y Wong
REGISTERED OFFICE:	Bow Bells House 1 Bread Street London EC4M 9HH
ADMINISTRATOR:	State Street (Guernsey) Limited P.O. Box 543 First Floor Dorey Court Admiral Park St Peter Port Guernsey GY1 6HJ
BANKER:	Lloyds Bank International Limited International Commercial Banking P.O. Box 136 Samia House Le Truchot St Peter Port Guernsey GY1 4EN
INDEPENDENT AUDITOR:	PricewaterhouseCoopers CI LLP P.O. Box 321 Royal Bank Place 1 Glatigny Esplanade St Peter Port Guernsey GY1 4ND
INVESTMENT MANAGER:	Aberdeen Fund Managers Limited Bow Bells House 1 Bread Street London EC4M 9HH
DEPOSITARY:	State Street Trustees Limited 20 Churchill Place London E14 5HJ

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

REPORT OF THE GENERAL PARTNER For the year ended 31 December 2016

The General Partner presents its annual report and audited financial statements for Aberdeen UK Infrastructure Partners LP (the "Fund" or "Investment entity") for the year ended 31 December 2016.

Limited partnership

The Fund was established on 10 July 2012 and is registered as a limited partnership in England under The Limited Partnership Act 1907 with registration number LP015081.

The General Partner is responsible for ensuring that the fund is always operated and managed under the terms of the Limited Partnership Agreement ("LPA"). The General Partner has delegated these responsibilities to the Investment Manager.

Principal activity

The principal activity is investment holding. There has been no change in that activity during the year.

The Fund is a 10 year primary infrastructure fund focusing on social and economic infrastructure projects underpinned by secure, long-term government contracts characterised by predominantly availability based, stable and partially inflation linked revenues. The Fund will target a net annual return to investors as set out in the Fund's Information Memorandum.

The Fund was established to invest in Greenfield Public Private Partnerships ("PPP") projects in the United Kingdom which offer investors the opportunity to earn attractive risk adjusted returns with a low correlation to economic cycles and other investment classes for its projected 10 year life.

Financial risk management

The key risks and uncertainties faced by the Fund are managed within the framework established for the Investment Manager. Exposures to market risk, credit risk and liquidity risk arise in the normal course of the Fund's business. *These risks are discussed, and supplementary qualitative and quantitative information is provided in Note 10 to the financial statements.* The Fund's liquidity risk management is delegated to the Investment Manager.

Results and review of business

The Fund's total comprehensive income for the year was GBP53,002,683 (2015: GBP20,089,595). Capital returned during the year amounted to GBP970,000 (2015: GBP25,500). There were no income distributions in the year.

Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the financial statements for each financial year which give a true and fair view, in accordance with applicable Law, (i.e. the Companies Act 2006 as applied to limited partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), the LPA and International Financial Reporting Standards as adopted by the European Union ("IFRSs"), of the state of affairs of the Fund and of the profit or loss of the Fund for that year.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

REPORT OF THE GENERAL PARTNER (CONTINUED)

For the year ended 31 December 2016

Statement of General Partner's responsibilities in respect of the financial statements (continued)

In preparing these financial statements the General Partner is also required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Fund will continue in business.

The General Partner is responsible for keeping proper accounting records that are sufficient to show and explain the Fund's transactions and disclose with reasonable accuracy, at any time, the financial position of the Fund and enable the General Partner to ensure that the financial statements comply with applicable law, IFRSs and LPA. The General Partner is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner confirms that it has complied with the above requirements in preparing the financial statements.

Audit information

As at the date of approval of the Report of the General Partner, the General Partner confirms that, so far as the General Partner is aware, there is no relevant audit information of which the Fund's Independent Manager is unaware; and the General Partner has taken all the steps that ought to have been taken as a General Partner to be aware of any relevant audit information and to establish that the Fund's Independent Auditors is aware of that information.

Subsequent events

Management has evaluated the impact of all subsequent events on the Fund occurring between the end of the reporting period and 27 April 2017, the date the financial statements were available to be issued and has determined there were no subsequent events requiring adjustment or additional disclosure at the date of signing this report and the audited financial statements.

Going concern

The General Partner considers that the Fund has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the General Partner has taken into account all available information about the foreseeable future and consequently the going concern basis is appropriate in preparing the financial statements.

Independent auditor

PricewaterhouseCoopers CI LLP have indicated their willingness to continue in office and a resolution to re-appoint the Independent Auditor will be put forward at the forthcoming Annual General Meeting.



I H Y Wong
Director
General Partner
27 April 2017

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

REPORT OF THE INVESTMENT MANAGER

For the year ended 31 December 2016

Alternative Investment Fund Managers Directive

The EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) ("AIFMD") entered into force on 21 July 2011 and member states, including the United Kingdom, were required to transpose this into national law by 22 July 2013. The AIFMD has been implemented in the United Kingdom by a combination of the HM Treasury Regulations and FCA handbook rules.

The Investment Manager is the designated Alternative Investment Fund Manager ("AIFM") and is subject to regulation by the AIFMD. The AIFM has regular reporting responsibilities in accordance with the AIFMD. The Fund is considered to be an Alternative Investment Fund ("AIF") managed by the AIFM. Whilst the Investment Manager's registration as an AIFM has no direct regulatory bearing on the AIF, the AIFM has, together with the General Partner, agreed to make available certain information in order to assist the AIFM in complying with its responsibilities.

Report on the Activities of the Financial Year

A report on Activities for the Financial Year produced by the Investment Manager, exclusively available to relevant regulators and the Fund's Limited Partners upon request, contains an overview of i) investment activities during the year, ii) the portfolio at year end, and iii) the performance over the period. A request for this report should be made to the Investment Manager.

Material Changes and Periodic Risk Management

Material changes are discussed in the Fund's Limited Partner Reports which are issued separately to the Fund's Limited Partners on a quarterly basis.

In relation to Risk Management, please refer to Note 10 in the Notes to the Financial Statements for details regarding the Fund's exposure to certain Financial Risks which require disclosure under the AIFMD. Separately, Operational Risks are detailed in the Operational Risk Management Report which is available to relevant regulators and the Fund's Limited Partners upon request. Such a request should be made to the Investment Manager.

Remuneration disclosure

Remuneration disclosure is required by the AIFMD for remunerated Code staff. The Investment Manager has appropriate processes in place to identify and report on remuneration in accordance with the Code. A remuneration report is available to relevant regulators and the Fund's Limited Partners upon request. Such a request should be made to the Investment Manager.

STRATEGIC REPORT

For the year ended 31 December 2016

The General Partner presents its strategic report on the Fund for the year ended 31 December 2016.

Results and review of business

The total comprehensive income for the year is set out in the Statement of Comprehensive Income on page 8. The General Partner considers the performance of the Fund during the year and its financial position at the end of the year, to be in line with the long term expected performance of the project, and its prospects for the future to be satisfactory.

Principal activity

The principal activity is investment holding. There has been no change in that activity during the year.

The Fund's objective is to generate significant long-term investment yield. It aims to achieve this objective from its investments in a portfolio of PFI/PPP assets held via its Subsidiaries, Aberdeen Infrastructure Investments (No 5) Limited ("AII(No 5)L") and Aberdeen Infrastructure Investments (No 6) Limited ("AII(No 6)L"). The portfolio is expected to generate long-term, inflation-linked cash flows, principally driven by low-risk, availability-based contracts with government agencies.

The General Partner has responsibility for ensuring the Fund is always operated and managed under the terms of the LPA. The General Partner has delegated these responsibilities to the Investment Manager.

Principal risks and uncertainties

The key risks and uncertainties faced by the Fund are managed within the framework established for the Investment Manager. *Exposures to market risk, credit risk and liquidity risk arise in the normal course of the Fund's business. These risks are discussed, and supplementary qualitative and quantitative information are provided in Note 10 to the financial statements. The Fund's liquidity risk is managed by the Investment Manager.*

Key performance indicators

The Fund is an investment vehicle in which external investors invest, to ultimately invest in a portfolio of PFI/PPP assets. Given the straightforward nature of the business, the Directors of the General Partner are of the opinion that analysis using KPI's is not necessary for the understanding of the development, performance, or position of the business.

By order of the Board,



I H Y Wong
Director
General Partner
27 April 2017

**INDEPENDENT AUDITOR'S REPORT
TO THE LIMITED PARTNERS OF ABERDEEN UK INFRASTRUCTURE PARTNERS LP**

Report on the financial statements

Our opinion

In our opinion, Aberdeen UK Infrastructure Partners LP financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2016 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRSs"); and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

What we have audited

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

- the Statement of Financial Position as at 31 December 2016;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Net Assets Attributable to the Limited Partners 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 IFRSs and applicable law.

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

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.

General Partner's remuneration

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

**INDEPENDENT AUDITOR'S REPORT
TO THE LIMITED PARTNERS OF ABERDEEN UK INFRASTRUCTURE PARTNERS LP
(CONTINUED)**

Responsibilities for the financial statements and the audit

Our responsibilities and those of the General Partner

As explained more fully in the Statement of General Partner's Responsibilities set out on pages 3 and 4, the General Partner is 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 opinion, has been prepared for and only for the members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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.

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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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.



Adrian Peacegood (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers CI LLP
Chartered Accountants and Statutory Auditors
Guernsey
27 April 2017

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

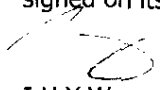
		2016	2015
	<i>Notes</i>	GBP	(Restated) GBP
Income			
Interest income	4	8,447,218	3,265,813
Management fee income	13	962,413	1,913,702
Net changes in fair value of financial assets at fair value through profit or loss	5	46,050,506	17,403,362
Total income		55,460,137	22,582,877
Expenses			
Administration fees		34,521	34,879
Audit fees		28,325	28,300
Arrangement fees		50,000	-
Bank charges		542	702
Depositary fees		23,261	11,649
General Partner's share	13	2,240,902	2,333,392
Professional fees		79,903	84,360
Total expenses		2,457,454	2,493,282
Profit on ordinary activities		53,002,683	20,089,595
Total comprehensive income for the year		53,002,683	20,089,595

The notes on pages 12 to 33 form part of these financial statements.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP**STATEMENT OF FINANCIAL POSITION****As at 31 December 2016**

	<i>Notes</i>	As at 31 December 2016 GBP	As at 31 December 2015 (Restated) GBP	As at 1 January 2015 (Restated) GBP
Assets				
Non-current assets				
Financial assets at fair value through profit or loss				
Investments in the Subsidiaries	3,5	67,932,764	21,882,258	4,478,896
Loans and receivables				
Debt securities	7	126,307,738	68,322,585	6,812,181
Total non-current assets		<u>194,240,502</u>	<u>90,204,843</u>	<u>11,291,077</u>
Current assets				
Receivables	8	7,067,807	3,307,481	1,792,733
Cash and cash equivalents		8,596	70,582	26,848
Total current assets		<u>7,076,403</u>	<u>3,378,063</u>	<u>1,819,581</u>
Total assets attributable to the Limited Partners		<u>201,316,905</u>	<u>93,582,906</u>	<u>13,110,658</u>
Current liabilities				
Payables and accruals	9	3,390,048	608,039	714,035
Total liabilities		<u>3,390,048</u>	<u>608,039</u>	<u>714,035</u>
Net assets attributable to the Limited Partners		<u>197,926,857</u>	<u>92,974,867</u>	<u>12,396,623</u>
Limited Partners' interest represented by:				
Partners' capital		121,833,982	69,884,675	9,396,026
Partners' current accounts		76,092,875	23,090,192	3,000,597
		<u>197,926,857</u>	<u>92,974,867</u>	<u>12,396,623</u>

The financial statements were authorised for issue by the Board of the General Partner of the Fund and signed on its behalf by:


I H Y Wong
Director
27 April 2017

The notes on pages 12 to 33 form part of these financial statements.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE LIMITED PARTNERS**
For the year ended 31 December 2016

	Partners' Capital	Partners' current accounts	Total
	GBP	GBP	GBP
As at 1 January 2015 (Restated)	9,396,026	3,000,597	12,396,623
Capital contributions	60,514,149	-	60,514,149
Return of capital	(25,500)	-	(25,500)
Total comprehensive income for the year	-	20,089,595	20,089,595
Increase in net assets attributable to the Limited Partners	60,488,649	20,089,595	80,578,244
As at 31 December 2015 (Restated)	69,884,675	23,090,192	92,974,867
Capital contributions	52,919,307	-	-
Return of capital	(970,000)	-	(970,000)
Total comprehensive income for the year	-	53,002,683	53,002,683
Increase in net assets attributable to the Limited Partners	51,949,307	53,002,683	104,951,990
As at 31 December 2016	121,833,982	76,092,875	197,926,857

The notes on pages 12 to 33 form part of these financial statements.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP**STATEMENT OF CASH FLOWS****For the year ended 31 December 2016**

	<i>Notes</i>	2016 GBP	2015 (Restated) GBP
Cash flows from operating activities			
Debt securities principal advanced	7	(58,060,364)	(61,510,404)
Debt securities principal received	7	75,211	-
Management income received		962,413	1,913,702
Interest income received		5,711,057	2,121,754
Bank interest received		59	2,448
Operating expenses paid		(699,669)	(2,972,415)
Net cash flow used in operating activities		(52,011,293)	(60,444,915)
Cash flows from financing activities			
Capital contribution received	10.1.3	52,919,307	60,514,149
Return of capital	2.8	(970,000)	(25,500)
Net cash generated from financing activities		51,949,307	60,488,649
Net (decrease) / increase in cash and cash equivalents		(61,986)	43,734
Cash and cash equivalents at 1 January		70,582	26,848
Cash and cash equivalents at 31 December		8,596	70,582

The notes on pages 12 to 33 form part of these financial statements.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

1. GENERAL INFORMATION

The Fund is a closed-ended investment fund domiciled and established as a limited partnership under the laws of England. The address of its registered office is Bows Bells House, 1 Bread Street, London, England.

The principal activity of the Fund is to invest in Greenfield Public Private Partnerships ("PPP") projects in the United Kingdom which offer investors the opportunity to earn attractive risk adjusted returns with a low correlation to economic cycles and other investment classes for its projected 10 year life.

The Fund's investment activities are managed by the General Partner who has delegated these responsibilities to the Investment Manager, with the administration delegated to the Administrator.

The Fund's capital is represented by the net assets attributable to the Limited Partners.

AII(No 5)L and AII(No 6)L are the Subsidiaries which the Fund has invested in (collectively the "Subsidiaries").

These financial statements were authorised for issue by the Board of Directors of the General Partner of the Fund on 27 April 2017.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the year, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with applicable law (i.e. the Companies Act 2006 as applied to limited partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), the LPA and IFRSs. The General Partner has considered the presentational requirements of the UK Companies Act 2006 and amended the format so that the financial statements present each line item in a manner that reflects its nature. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The financial statements have been prepared on a going concern basis which assumes that the Fund will continue in operational existence for the foreseeable future. The General Partner is satisfied that it operates in such a way to ensure the Fund will continue to be a going concern, given its expected future cash flows from investing activities and its ability to call undrawn commitments (Note 16).

The Fund meets the definition of an Investment Entity as defined by IFRS 10 and is required to account for the investments in the Subsidiaries at fair value through profit and loss.

The preparation of financial statements in accordance with IFRSs requires the use of certain critical accounting estimates. It also requires the General Partner to exercise judgement in the process of applying the Fund'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 in Note 12.

(a) Standards and amendments to existing standards effective 1 January 2016

The amendments to IFRS 10, issued on 18 December 2014, clarifying the application of the consolidation exception for investment entities and their subsidiaries.

The Fund has adopted the Investment Entities: Applying The Consolidation Exception: amendments to IFRS 10, IFRS 12 and IAS 28 (the "Amendments") which are effective 1 January 2016. The Amendments confirm that the exception to preparing consolidated financial statements should be applied by an intermediate parent investment entity whose subsidiary is also an investment entity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2016****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.1 Basis of preparation (continued)****(a) Standards and amendments to existing standards effective 1 January 2016 (continued)**

On adoption, the Fund has determined that it meets the definition of an investment entity. As a result, the Fund has changed its accounting policy with respect to its investments in the Subsidiaries. The Subsidiaries, which were previously consolidated, are now accounted for at fair value through profit or loss. This change in accounting policy has been applied retrospectively in accordance with the transition provisions of IFRS 10 and the Amendments to IFRS 10. The transition provisions require retrospective application in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. However, they specify that an entity needs only to present the quantitative information required by paragraph 28(f) of IAS 8 for the annual period immediately preceding the date of initial application. The Fund has presented additional information, which it considers relevant to the understanding of these financial statements. Such disclosures include the effect of applying the consolidation exception has had on the Fund's Statement of Financial Position and Statement of Comprehensive Income. For these disclosures refer below to Note 3.

The amendments to IFRS 12 clarify the disclosure requirements related to investment entities. Adoption of the IFRS 12 amendments have impacted the Fund's level of presentation and disclosures in some areas noted above, but this has not impacted the Fund's Statement of Financial Position and Statement of Comprehensive Income.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 January 2016 that would be expected to have a material impact on the Fund.

(b) New standards, amendments and interpretations effective after 1 January 2016 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2016, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Fund.

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. An updated version of IFRS 9 was issued on 10 November 2013. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the IFRS 9 retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Fund is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the required accounting period beginning on or after the date advised by the IASB. The effective date in place for IFRS 9 is 1 January 2018.

2.2 Investment entity**2.2.1 Investment entity**

The Fund has multiple unrelated investors and holds multiple investments. Ownership interests in the Fund are in the form of limited Partnership interests which are classified as liabilities under the provisions of IAS 32. The General Partner has determined that the Fund meets the definition of an investment entity per IFRS 10 as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with professional investment management services;
- b) The Fund's business purpose, which was communicated directly to investors, is investing for capital appreciation and investment income; and
- c) The investments are measured and evaluated on a fair value basis.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **For the year ended 31 December 2016**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Investment entity (continued)

2.2.1 Investment entity (continued)

2.2.1.1 Investment entity status

In determining the Fund's status as an investment entity in accordance with IFRS 10, the General Partner considered the following:

- a) The Fund has raised commitments from a number of investors in order to raise capital to invest in infrastructure investments and to provide the investors with investment management services with respect to these infrastructure investments;
- b) The Fund intends to generate capital and income returns from its infrastructure investments which will, in turn, be distributed in accordance with the LPA to the Limited Partners; and
- c) The Fund evaluates its infrastructure investments' performance on a fair value basis, in accordance with the policies set out in these financial statements.

Although the Fund met all three defining criteria, the General Partner has also assessed the business purpose of the Fund, the investment strategies for the infrastructure investments, the nature of any earnings from the infrastructure investments and the fair value models. The General Partner made this assessment in order to determine whether any additional areas of judgement exist with respect to the typical characteristics of an investment entity versus those of the Fund.

2.2.2 Subsidiaries

Where the Fund is deemed to control an underlying portfolio company either directly or indirectly through a holding company subsidiary and whether the control be via voting rights or through the ability to direct the relevant activities in return for access to a significant portion of the variable gains and losses derived from those relevant activities, the underlying portfolio company and its results are not consolidated and are instead reflected at fair value through profit or loss. As at 31 December 2016, the Fund is directly invested in two such portfolio companies.

The Fund does not have any other direct subsidiaries other than those determined to be investment entities. Investment entity subsidiary investments are measured at fair value through profit or loss and are not consolidated in accordance with IFRS 10.

The Fund operates as an integrated structure whereby the Fund invests solely into the Subsidiaries. Total investments made by the Fund into the Subsidiaries during the year ended 31 December 2016 were GBPnil (2015: GBPnil). Total investments made by the Fund into the indirect subsidiary amounted to EUR58,060,364 (2015: EUR61,510,404). As at 31 December 2016 and 31 December 2015 there were no capital commitment obligations and no amounts due to the Subsidiaries for unsettled purchases.

The Fund operates as an investment structure whereby the Fund (via its subsidiaries) invests and commits to invest into various portfolio companies through the Subsidiaries (described above). As at 31 December 2016, there were no outstanding capital commitment obligations with respect to specific portfolio company acquisitions and no amounts due to the portfolio companies for unsettled purchases.

The Fund primarily invests into the portfolio companies by purchasing, indirectly through its investment entity subsidiaries, the ordinary equity and debt securities of these private finance initiative companies. The portfolio companies pay cash interest or accrue interest on the debt held by the investment entity subsidiaries, and repay debt based on the terms of the respective agreements. Cash dividends may be paid based on the portfolio company's operating results and are at the discretion of the Board of Directors of the respective portfolio companies which are then paid up to the Fund directly or through the relevant holding company. There are no amounts due or accrued for preferred dividend or in-kind returns based on any of the shareholder agreements.

Movements in the fair value of the Fund's underlying portfolio companies held via the investment entity subsidiaries and the existence of unfunded commitments may expose the Fund to potential gains or losses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Foreign currency translation

(a) Functional and presentation currency

The Fund's Limited Partners are from the United Kingdom ("UK"), with the Fund capital denominated in Pound Sterling. The primary activity of the Fund is to invest in UK infrastructure assets and to offer the Limited Partners a low risk and moderate return. The performance of the Fund is measured and reported to the Limited Partners in Pound Sterling. The General Partner considers Pound Sterling as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions of the Fund. The financial statements are presented in Pound Sterling, the Fund's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency assets and liabilities, other than financial assets and liabilities at fair value through profit or loss are translated into the functional currency using the exchange rate prevailing at the Statement of Financial Position date.

Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within "Net changes in fair value of financial assets and financial liabilities at fair value through profit or loss".

2.4 Financial assets and financial liabilities at fair value through profit or loss

(a) Classification

Financial assets and financial liabilities are classified held for trading or designated as at fair value through profit or loss by the General Partner at inception:

(i) Financial assets and liabilities held for trading

A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or if on initial recognition is part of a portfolio of identifiable financial investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

The Fund did not hold any financial assets or liabilities held for trading as at 31 December 2016 or 31 December 2015.

(ii) Financial assets and liabilities designated at fair value through profit or loss at inception

Financial assets and financial liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy.

The Fund's policy requires the Investment Manager and the General Partner to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

(b) Recognition, derecognition and measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the Statement of Comprehensive Income.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Financial assets and financial liabilities at fair value through profit or loss (continued)

(b) Recognition, derecognition and measurement (continued)

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within 'Net changes in fair value of financial assets and liabilities at fair value through profit or loss' in the period in which they arise.

(c) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Fund's valuation technique for determining the fair value of its investment in the Subsidiaries is the net present value of estimated future cash flows are based on a discounted cash flow model.

The discounted cash flow model considers the total equity and debt investment made into the portfolio companies indirectly through the Fund's Subsidiaries. The value of the investments in the Subsidiaries is represented by the residual value after the debt (which is accounted for as loans and receivables) is removed from the model and where portfolio investments are held through subsidiary holding companies, the net assets of the holding company are added to the value of the portfolio investment being assessed to produce the fair value of the holding company held by the Fund.

The discount rate used by the Fund is based on the risk-free rate of the economic environment in which portfolio companies operate and is adjusted with other factors such as liquidity, credit and market risk factors. The cash flows used in the discounted cash flow models are based on projected cash flows or earnings of the portfolio companies.

2.5 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- (i) those that the Fund intends to sell immediately or in the short-term, which are classified as held for trading, and those that the entity upon initial recognition designates as at fair value through profit or loss;
- (ii) those that the Fund upon initial recognition designates as available for sale; or
- (iii) those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

Loans and receivables are initially recognised at fair value which is the cash consideration to originate or purchase the loan including any transaction costs and measured subsequently at amortised cost using the effective interest rate method. Loans and receivables are reported in the Statement of Financial Position as 'Debt securities' and are representative of the debt that has been issued by the subsidiary AII(No 6)L and acquired by the Fund. Interest on loans is included in the Statement of Comprehensive Income and is reported as 'Interest income'. In case of an impairment, the impairment loss is reported as a deduction from the carrying value of the loan and recognised in the Statement of Comprehensive Income as 'Impairment to loans and receivables'. If in a subsequent period, there is objective evidence that the Fund will be able to collect all debt securities, the impairment to loans and receivables is reversed through the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2016****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.5 Loans and receivables (continued)**

A provision for impairment is established when there is objective evidence that the Fund will not be able to collect all amounts due to be received. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount to be received is impaired. Once a financial asset or a fund of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

The effective interest rate method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument - or, when appropriate, a shorter period - to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the General Partner estimates cash flows considering all contractual calculations which include all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

2.6 Receivables

Receivables are initially recognised at fair value and measured subsequently at amortised cost using the effective interest rate method.

2.7 Cash and cash equivalents

Cash and cash equivalents consists of cash balances that are freely available and other cash balances with an original maturity of three months or less, and bank overdraft. As at 31 December 2016 and 31 December 2015, the carrying amounts of cash and cash equivalents approximate their fair value.

2.8 Distributions payable to the Limited Partners

Proposed distributions to the Limited Partners are recognised in the Statement of Comprehensive Income when they are appropriately authorised and no longer at the discretion of the Fund. This typically occurs when a proposed distribution is ratified at a General Partner's meeting. The distribution is recognised as a finance cost in the Statement of Comprehensive Income. Any capital returned is recognised in the Statement of Changes in Net Assets Attributable to the Limited Partners. Subject to Clause 10.1 of the LPA, net income and all capital proceeds of the Fund shall be distributed between the Partners in order of priority (after payment of expenses and liabilities of the Fund). Notwithstanding clause 10.1, but subject to clauses 10.3 to 10.6 and clause 14.4 of the LPA, no distributions shall be made to the Carried Interest Partner (whether in cash or in specie) under clause 10.1 until the relevant date.

2.9 Payables and accruals

Payables and accruals are initially recognised at fair value and subsequently stated at amortised cost using the effective interest rate method. Payables and accruals are derecognised when the obligation under the liability is discharged or cancelled or expires.

2.10 Interest income

Interest income is recognised on a time-proportionate basis using the effective interest method. It includes interest income from cash and cash equivalents and on debt securities at amortised cost.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Expenses

Expenses are recognised on an accruals basis.

2.12 Taxation

The Fund is domiciled in England. Under the current laws of England, there is no income, estate, corporation, capital gains or other taxes payable by the Fund.

2.13 Net assets attributable to the Limited Partners

Ownership interests in the Fund are in the form of an interest in the net assets attributable to the Limited Partners. Net assets attributable to the Limited Partners are classified as a financial liability, due to a finite life and contractual payment provisions to each of the Limited Partners within the LPA.

Net assets attributable to Limited Partners' capital are carried at amortised cost.

2.14 General Partner's Share

Under Clause 9 of the LPA, the General Partner shall be entitled to receive, and there shall be allocated to the General Partner as a first charge on net income and capital gains, an amount equal to the General Partner's Share ("GPS").

2.15 Allocation of profits and losses

- a) Subject to Clause 5.13 and Clause 9.5(c) of the LPA, every Limited Partner has an interest in every asset of the Fund and, accordingly, all Income, Capital Gains and Capital Losses shall (after the allocation of the General Partner's Share) be allocated to the Partners so that the balances on their accounts shall reflect their respective entitlements to receive distributions in accordance with the provisions of Clause 10.1.
- b) If a particular allocation of Capital Gain and/or Income is assumed in computing the Tax Credits available to the Partners for the purpose of calculating when each Partner has received sums equal to the aggregate of amounts under Clause 10.1 then, notwithstanding any other provision of this Clause 9.5, such Capital Gain and/or Income shall be allocated in accordance with that assumption.
- c) The Investment Manager may in its discretion, allocate items of Income, Capital Gains, Capital Losses and Expenses to particular Investors up to the maximum amount available, with corresponding adjustments to the allocation of the other items.
- d) The Excused Investor shall not be required to advance its proportion of the Loan Commitment relating to the Acquisition Cost of such Investment, and the amount not advanced shall not be available again for draw down.

Net income, net losses, capital gains and losses allocated to each Limited Partner shall be credited or debited to the Limited Partner's income or capital account. Accordingly, the General Partner has determined that all net increases or decreases on assets and liabilities categorised as fair value through profit or loss, will be booked through the capital account.

2.16 Undrawn committed capital

Undrawn committed capital from the Limited Partners is not shown on the Statement of Financial Position, as undrawn committed capital represents a loan commitment that is scoped out of IAS 39.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

3. CHANGE IN ACCOUNTING POLICY AND TRANSITION

As a result of the adoption of IFRS 10 and the Amendments to IFRS 10, the Fund has changed its accounting policy with respect to its investments in the Subsidiaries. The Subsidiaries which were previously consolidated are now accounted for at fair value through profit or loss. The transition provisions require retrospective application in accordance with IAS 8. However, they specify that an entity need only present the quantitative information required by paragraph 28(f) of IAS 8 for the annual period immediately preceding the date of initial application. Comparative amounts have been restated in accordance with the transition guidance.

The following shows the adjustments made to each financial statement line item for the comparative period:

Statement of Financial Position

	31 December 2015 (Consolidated) GBP	Adjustment GBP	31 December 2015 (Restated) GBP
Assets			
Non-current assets			
Financial assets at fair value through profit or loss			
Equity securities - unlisted	23,120,723	(23,120,723)	-
Investments in the Subsidiaries	-	21,882,258	21,882,258
Loans and receivables			
Debt securities	69,404,935	(1,082,350)	68,322,585
Total non-current assets	92,525,658	(2,320,815)	90,204,843
Current assets			
Receivables	1,794,517	1,512,964	3,307,481
Cash and cash equivalents	416,133	(345,551)	70,582
Total current assets	2,210,650	1,167,413	3,378,063
Total assets attributable to the Limited Partners	94,736,308	(1,153,402)	93,582,906
Liabilities			
Current liabilities			
Payables and accruals	861,441	(253,402)	608,039
Loan and borrowings	900,000	(900,000)	-
Total liabilities	1,761,441	(1,153,402)	608,039
Net assets attributable to the Limited Partners	92,974,867	-	92,974,867

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

3. CHANGE IN ACCOUNTING POLICY AND TRANSITION (CONTINUED)

Statement of Comprehensive Income

	Year ended 31 December 2015 (Consolidated) GBP	Adjustment GBP	Year ended 31 December 2015 (Restated) GBP
Income			
Directors' fee income	145,407	(145,407)	-
Interest income	3,343,049	(77,236)	3,265,813
Management income	-	1,913,702	1,913,702
Other investment income	4,175,319	(4,175,319)	-
Net changes in fair value of financial assets at fair value through profit or loss	17,404,725	(1,363)	17,403,362
Total income	25,068,500	(2,485,623)	22,582,877
Expenses			
Administration fees	57,221	(22,342)	34,879
Audit fees	46,570	(18,270)	28,300
Bank charges	-	702	702
Commitment fees	62,901	(62,901)	-
Custodian fees	11,649	-	11,649
Directors' fees	75,000	(75,000)	-
General Partner's Share	2,333,392	-	2,333,392
Other operating expenses	4,239	(4,239)	-
Professional fees	39,093	45,267	84,360
Total expenses	2,630,065	(136,783)	2,493,282
Operating profit	22,438,435	(2,348,840)	20,089,595
Finance costs			
Credit facility interest	2,300,478	(2,300,478)	-
Credit facility renewal fees	47,000	(47,000)	-
Profit on ordinary activities before tax	20,090,957	(1,362)	20,089,595
Tax	(1,362)	1,362	-
Total comprehensive income for the year	20,089,595	-	20,089,595

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

4. INTEREST INCOME

	2016	2015 (Restated)
	GBP	GBP
From debt securities	8,447,159	3,263,365
From cash and cash equivalents	59	2,448
	<u>8,447,218</u>	<u>3,265,813</u>

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Net changes in financial assets at fair value through profit or loss

	2016	2015 (Restated)
	GBP	GBP
As at 1 January	21,882,258	4,478,896
Net changes in fair value of financial assets at fair value through profit or loss	46,050,506	17,403,362
As at 31 December	<u>67,932,764</u>	<u>21,882,258</u>
Change in unrealised gain for Level 3 assets held as at year end and included in net changes in fair value of financial assets at fair value through profit or loss	46,050,506	17,403,362

	2016		2015 (Restated)	
	Fair value GBP	% of net assets	Fair value GBP	% of net assets
Investments in the Subsidiaries	67,932,764	34.32	21,882,258	23.54

6. SUBSIDIARIES

The Subsidiaries of the Fund are as follows:

Investments in the Subsidiaries held by the Fund

Subsidiary	Address of the registered office	Principal activity	Date of incorporation	Country of incorporation	Holding %
AII(No 5)L	Bow Bells House 1 Bread Street London, UK EC4M 9HH	Investment holding	09 May 2012	United Kingdom	100
AII(No 6)L	Bow Bells House 1 Bread Street London, UK EC4M 9HH	Investment holding	09 May 2012	United Kingdom	100

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **For the year ended 31 December 2016**

7. LOANS AND RECEIVABLES

	2016	2015
	GBP	(Restated)
		GBP
Debt securities	126,307,738	68,322,585
Movement in debt securities		
	2016	2015
	GBP	(Restated)
		GBP
As at 1 January	68,322,585	6,812,181
Acquisitions	58,060,364	61,510,404
Loan repayments	(75,211)	-
As at 31 December	126,307,738	68,322,585

As at 31 December 2016 and 31 December 2015, the carrying amounts of the loans and receivables approximate their fair value.

On 12 August 2013, AII(No 6)L issued GBP6,340,000 loan notes to the Fund through the General Partner. The maturity of the Loan Notes is 31 March 2033. Interest shall accrue on the Principal Amount outstanding on the Loan Notes at the rate of 11.625% per annum. According to Condition 2.6 of the Loan Notes Instrument, AII(No 6)L capitalised within debt securities, the accrued Eurobond interest of GBP1,233,203 (2015: GBP862,429).

On 11 November 2015, AII(No 6)L issued GBP36,536,230 loan notes to the Fund through the General Partner. The maturity of the Loan Notes is 30 September 2060. Interest shall accrue on the Principal Amount outstanding on the Loan Notes at the rate of 10.075% per annum. According to Condition 2.4 of the Loan Notes Instrument, AII(No 6)L capitalised within debt securities, the accrued Eurobond interest of GBP1,144,989 (2015: GBP151,275).

On 16 December 2015, AII(No 6)L issued GBP22,852,420 loan notes to the Fund through the General Partner. The maturity of the Loan Notes is 31 March 2036. Interest shall accrue on the Principal Amount outstanding on the Loan Notes at the rate of 9.875% per annum. According to Condition 2.2 of the Loan Notes Instrument, AII(No 6)L capitalised within debt securities, the accrued Eurobond interest of GBP3,039,045 (2015: GBP711,008).

On 29 September 2016, AII(No 6)L issued GBP10,914,495 loan notes to the Fund through the General Partner. During the year ended 31 December 2016, AII(No 6)L repaid an amount of GBP75,211 loan notes. The maturity of the Loan Notes is 30 March 2037. Interest shall accrue on the Principal Amount outstanding on the Loan Notes at the rate of 10.875% per annum. According to Condition 2.4 of the Loan Notes Instrument, AII(No 6)L capitalised within debt securities, the accrued Eurobond interest of GBPnil.

On 29 September 2016, AII(No 6)L issued GBP21,213,333 loan notes to the Fund through the General Partner. The maturity of the Loan Notes is 31 March 2041. Interest shall accrue on the Principal Amount outstanding on the Loan Notes at the rate of 13.13% per annum. According to Condition 2.4 of the Loan Notes Instrument, AII(No 6)L capitalised within debt securities, the accrued Eurobond interest of GBPnil.

On 29 November 2016 and 29 December 2016, AII(No 6)L issued GBP2,119,148 and GBP1,800,877 loan notes respectively to the Fund through the General Partner. The maturity of the Loan Notes is 16 March 2047. Interest shall accrue on the Principal Amount outstanding on the Loan Notes at the rate of 12.30% per annum. According to Condition 2.4 of the Loan Notes Instrument, AII(No 6)L capitalised within debt securities, the accrued Eurobond interest of GBP22,129.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2016****7. LOANS AND RECEIVABLES (CONTINUED)**

On 28 October 2016, AII(No 6)L issued GBP16,301,454 loan notes to the Fund through the General Partner. The maturity of the Loan Notes is 30 September 2037. Interest shall accrue on the Principal Amount outstanding on the Loan Notes at the rate of 8.63% per annum. According to Condition 2.4 of the Loan Notes Instrument, AII(No 6)L capitalised within debt securities, the accrued Eurobond interest of GBP271,691.

8. RECEIVABLES

	2016	2015
	GBP	(Restated) GBP
Amounts due from General Partner	11,600	-
Management fee receivables from AII(No 5)L	674,464	590,473
Management fee receivables from AII(No 6)L	1,820,536	967,114
Interest receivable	4,485,996	1,749,894
Other receivables	75,211	-
	7,067,807	3,307,481

Management fee receivables from AII(No 5)L and AII(No 6)L relate to income receivable from the Subsidiaries in relation to credit facilities and are recognised on an accrual basis.

As at 31 December 2016 and 31 December 2015, the carrying amounts of receivables approximate their fair value.

9. PAYABLES AND ACCRUALS

	2016	2015
	GBP	(Restated) GBP
Administration fees	8,475	8,725
Amounts due to AII(No 5)L	69,000	-
Amounts due to AII(No 6)L	1,325,402	-
Audit fees	27,500	27,500
Depository fees	13,421	4,224
General Partner's share	1,940,250	564,830
Taxation expenses	6,000	2,760
	3,390,048	608,039

The amounts due to AII(No 5)L and AII(No 6)L are intercompany transactions to cover expenses of the Fund. These amounts are interest free and short term in nature.

As at 31 December 2016 and 31 December 2015, the carrying amounts of payables and accruals approximate their fair value.

10. FINANCIAL RISK MANAGEMENT

The objective of the Fund's financial risk management is to manage and control the risk exposures of its investment portfolio. The General Partner has overall responsibility for overseeing the management of financial risks. The review and management of financial risks are performed by the General Partner, which has documented procedures designed to identify, monitor and manage the financial risks to which the Fund is exposed. This note presents information about the Fund's exposure to financial risks, its objectives, policies and processes for managing risk and the Fund's management of its financial resources.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

The Fund, through its Subsidiaries owns a portfolio of investments predominantly in the subordinated loan notes (subordinate to senior debt) and ordinary equity of PFI/PPP companies. These companies are structured at the outset to minimise financial risks of acquiring and holding the investment. The Fund primarily focuses its risk management on the direct financial risks of acquiring and holding the portfolios, but continues to monitor the indirect financial risks of the underlying projects through representation, where appropriate, on the Boards of the project companies and the receipt of regular financial and operational performance reports.

10.1 Financial risk factors

10.1.1 Market risk

Market risk is defined as the potential loss in value or earnings of the Fund arising from changes in external market factors such as:

- interest rates (interest rate risk);
- foreign exchange rates (currency risk); and
- equity markets (other price risk).

The investments are susceptible to market price risk arising from uncertainties about future values of the instruments. The Fund has an Investment Manager who provides the General Partner with investment recommendations. The Investment Manager's recommendations are reviewed by the General Partner before the investment decisions are implemented.

The performance of the investments held by the Fund are monitored by the Investment Manager on a monthly basis and reviewed by the General Partner on a quarterly basis.

(a) Price risk

Returns from the Fund's investments are affected by the price at which they are acquired. The value of these investments will be a function of the discounted value of their expected future cash flows, and as such will vary with, inter alia, movements in interest rates, market prices and the competition for such assets.

Price risk arises from the Fund's exposure to investments in the Subsidiaries. The Fund undertakes a full assessment of each entity's potential for value creation prior to entering into a new transaction. Thereafter, the performance of each investment is continually monitored and action taken as deemed appropriate in the circumstances. Further information about the Fund's sensitivity to changes in the fair value of its investments in the Subsidiaries is set out below.

At the reporting date the carrying value of the investments in the Subsidiaries amounted to GBP67,932,764 (2015: GBP21,882,258). For investments carried at fair value through profit or loss, changes in fair value would have a direct impact on total comprehensive income for the year. The table below sets out the sensitivity of total comprehensive income for the year to a 10% change in fair value of its investments in the Subsidiaries as at the Statement of Financial Position date.

Effect of investments in the Subsidiaries fair values on total comprehensive income for the year:

	2016	2015
	GBP	(Restated) GBP
Effect of 10% increase in fair value of the investments in the Subsidiaries	6,793,276	2,188,226
Effect of 10% decrease in fair value of the investments in the Subsidiaries	(6,793,276)	(2,188,226)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2016****10. FINANCIAL RISK MANAGEMENT (CONTINUED)****10.1 Financial risk factors (continued)****10.1.1 Market risk (continued)****(b) Currency risk**

The Subsidiaries in which the Fund invests conducts its business and pay interest, dividends and principal in Pounds Sterling. As at 31 December 2016, the Fund is not exposed to any currency risk as it does not hold any non-base currency assets or liabilities.

(c) Interest rate risk

The Fund has an indirect exposure to changes in interest rates through its investments in project companies, which are in part financed by senior debt. Senior debt financing of project companies is generally either through floating rate debt or fixed interest rate bonds. Where senior debt is financed through floating rate debt, the projects typically have concession length hedging arrangements in place, which are monitored by the project companies' managers, finance parties and boards of directors.

The Fund, through its Subsidiaries invests in subordinated loan notes (subordinate to senior debt) of project companies, usually with fixed and variable interest rate coupons. Where floating rate debt is owned, the primary risk is that the Fund's cash flows will be subject to variation depending upon changes to base interest rates. The portfolio's cash flows are continually monitored and re-forecast both over the near future and the long-term (over the whole period of projects' concessions) to analyse the cash flow returns from investments.

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows. The Fund holds debt securities that expose the Fund to fair value interest rate risk. The Fund's policy requires the Investment Manager to manage this risk by reviewing fluctuations of the interest rate sensitivity gap of financial assets and liabilities on a monthly basis and the General Partner of the Fund to review on a quarterly basis.

If interest rates on debt securities had been higher or lower on average by 75 basis points over the period, with all other variables held constant, the increase or decrease in net assets attributable to the Limited Partners would have been GBP698,469 (2015: GBP326,470). The Fund considers that 75 basis points is the maximum exposure to a decrease or increase in interest rates that could occur in the foreseeable future, although unlikely.

(d) Inflation risk

The Fund's project companies are generally structured so that contractual income and costs are either wholly or partially linked to specific inflation where possible to minimise the risks of a mismatch between income and costs due to movements in inflation indexes. The Fund's overall cash flows are estimated to partially vary with inflation. The effect of these inflation changes do not always immediately flow through to the Fund's cash flows as there is a time lag due to financial models only being updated on a 6 monthly basis.

10.1.2 Credit risk

Credit risk is the risk that a counterparty of the Fund will be unable or unwilling to meet a commitment that it has entered into with the Fund. The Fund has invested in the Subsidiaries, AII(No 5)L and AII(No 6)L. The Fund's near term cash flow forecasts are used to monitor the timing of cash receipts from project counterparties. Underlying the cash flow forecasts are project companies' cash flow models, which are regularly updated by project companies for the purposes of demonstrating the projects' ability to pay interest and dividends based on a set of detailed assumptions. Many of the Fund's investments and their subsidiary entities generally receive revenue from government departments, public sector or local authority clients. Therefore a significant portion of the Fund's revenue arises from counterparties of good financial standing.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

10.1 Financial risk factors (continued)

10.1.2 Credit risk (continued)

The Fund is also reliant on the projects' subcontractors continuing to perform their service delivery obligations such that revenues to projects are not disrupted. The Fund has a subcontractor counterparty monitoring procedure in place. The credit standing of subcontractors is reviewed and the risk of default estimated for each significant counterparty position. Monitoring is ongoing and period end positions are reported to the Investment Manager on a quarterly basis.

No classes within loans, trade and other receivables contain impaired assets. The maximum exposure to credit risk over financial assets is the carrying value of those assets in the Statement of Financial Position and as set out below:

	2016	2015
	GBP	(Restated) GBP
Debt securities	126,307,738	68,322,585
Receivables	7,067,807	3,307,481
Cash and cash equivalents	8,596	70,582
Total	<u>133,384,141</u>	<u>71,700,648</u>

The main concentration of credit risk to which the Fund is exposed arises from the Fund's investments in debt securities. However, this risk is spread over 7 debt securities of different investments.

Cash transactions are limited to Lloyds Bank which is a subsidiary of a financial institution with a Long term debt credit rating of A (2015: A), as rated by the rating agency, Standard & Poor's. All debt investments represent private debt investments executed in accordance with the investment objective of the Fund.

In accordance with the Fund's policy, the Investment Manager monitors the Fund's credit risk exposure on a monthly basis, and the General Partner reviews it on a quarterly basis.

10.1.3 Liquidity risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient financial resources and liquidity to meet its liabilities when due. The Fund's activity is funded by long-term funding, as it is closed ended and hence the Limited Partners do not have the option to redeem their investment in the Fund. The Fund is exposed to limited liquidity risk. The management of liquidity risk is delegated to the Investment Manager.

The Fund's investments are generally in private companies for which there is no active market and, therefore, such investment would take time to realise and there is no assurance that the valuations placed on the investments would be achieved from any such sale process.

The Fund's investment companies have borrowings which rank senior to the Fund's own investments in these project companies. The senior debt is structured such that, under normal operating conditions, it will be repaid within the expected life of the projects. Debt raised by the investment companies from third parties is without recourse to the Fund.

The Fund manages its liquidity risk by a combination of (i) contractual uncalled committed capital, which can be called with 14 days' notice and used to fund investments and pay management fees and (ii) maintaining cash levels to fund short term operating expenses. As at 31 December 2016, the amount of undrawn commitments was GBP67,000,302 (31 December 2015: GBP119,919,609).

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

10.1 Financial risk factors (continued)

10.1.3 Liquidity risk (continued)

The Fund operates as an investment structure whereby the Fund invests and commits to invest into various portfolio companies. As at 31 December 2016, there were no outstanding capital commitment obligations with respect to specific portfolio company acquisitions and no amounts due to the portfolio companies for unsettled purchases.

The following table illustrates the expected liquidity of assets held and undrawn capital commitments:

As at 31 December 2016	Undrawn capital commitments GBP	Less than 1 month GBP	1 - 12 months GBP	More than 12 months GBP
Total assets and undrawn capital commitments	67,000,302	-	7,076,403	194,240,502
As at 31 December 2015 (Restated)				
Total assets and undrawn capital commitments	119,919,609	-	3,378,063	90,204,843

The amounts in the table are the contractual undiscounted cash flows.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. At present the Fund has no immediate plans to exit any of its positions in its portfolio of investments. When the General Partner is of the view that the disposal of certain investments is relatively certain; the associated net assets attributable to the partners, in so far as they may be distributed, will be disclosed in the appropriate liquidity category as noted below.

	On demand GBP	Less than 1 year GBP	Between 1 and 3 years GBP	More than 3 years GBP	Total GBP
As at 31 December 2016					
Liabilities					
Payables and accruals	-	3,390,048	-	-	3,390,048
Net assets attributable to the Limited Partners	-	-	-	197,926,857	197,926,857
	-	3,390,048	-	197,926,857	201,316,905
As at 31 December 2015 (Restated)					
Liabilities					
Payables and accruals	-	608,039	-	-	608,039
Net assets attributable to the Limited Partners	-	-	-	92,974,867	92,974,867
	-	608,039	-	92,974,867	93,582,906

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

10.2 Capital risk management

The capital structure of the Fund consists of partners' capital and partners' current accounts.

The General Partner's policy when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the Limited Partners and to sustain the future development of the business. In order to maintain or adjust the capital structure, the Fund may require Limited Partners to make interest-free advances to the Fund up to an aggregate amount equal to their loan commitment. Neither the Fund nor any of its Subsidiaries are subject to externally imposed capital requirements.

Neither the Manager nor the General Partner shall have the power or authority on behalf of the Fund to enter into any arrangement that would give rise to an obligation on the part of any Limited Partner to send particulars of a charge to the Registrar of Companies pursuant to the Companies Act 2006 and provided that, subject to the limitation on borrowings, the aggregate amount of borrowings by the Fund not exceed the lesser of:

- a) aggregate Undrawn Loan Commitments; and
- b) 90% of Total Commitments,

unless otherwise approved with a Special Advisory Committee Approval.

There were no changes in the Fund's approach to capital management during the year.

10.3 Fair value estimation

As at 31 December 2016, 100% (2015: 100%) of financial assets at fair value through profit or loss comprise of the investments in the Subsidiaries that have been fair valued in accordance with the policies set out above. The Subsidiaries are not publicly traded; prior to maturity, an exit can only be made by the Fund through a sale of its investments and commitments in the Subsidiaries through a secondary market. As set out in the LPA, the Fund's objective is to acquire investments with the intention to recover the capital invested through distributions received from the Subsidiaries funded through their realization of their private equity, debt or infrastructure investment positions. As a result, the carrying value of the Subsidiaries may be significantly different from the value ultimately realized on an exit via a secondary market sale. It is not the objective nor intention of the Fund to exit the Subsidiaries in the secondary market sale.

As the Subsidiaries are not traded on an active market, and their fair values are determined using valuation techniques, the value is primarily based on the latest available financial/capital account statement of the Subsidiaries as reported by the general partner of the Subsidiaries. The Fund may make adjustments to the value based on considerations such as: the underlying investments of the Subsidiaries, the value date of the net asset value provided, cash flows since the last value date, geographic and sector exposures, market movements and the basis of accounting of the underlying Subsidiaries.

Fair value hierarchy

The fair value hierarchy consists of the following three levels:

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2016****10. FINANCIAL RISK MANAGEMENT (CONTINUED)****10.3 Fair value estimation (continued)**

The determination of what constitutes 'observable' input requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses, within the fair value hierarchy, the Fund's investments measured at fair value:

	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
As at 31 December 2016				
Investments in the Subsidiaries	-	-	67,932,764	67,932,764
As at 31 December 2015 (Restated)				
Investments in the Subsidiaries	-	-	21,882,258	21,882,258

There were no transfers between Level 1 and Level 2 during the year. Reconciliations of Level 3 balances are disclosed in the relevant notes as indicated below. The effect of different economic assumptions on the fair value of the Level 3 assets is disclosed in this note.

Level 3 is comprised of the investments in the Subsidiaries held by the Fund, that are not quoted on an active market.

Valuation – the Subsidiaries

In determining the fair value of the Subsidiaries, the Fund relies on the valuation as reported in the latest available financial statements and/or capital account statements provided by the Subsidiaries' Administrator.

The Investment Manager is responsible for monitoring the performance of the Subsidiaries and reporting such performance to the General Partner. Where the information provided by the Subsidiaries' Administrator is not considered appropriate by the Investment Manager and General Partner, the Investment Manager will make amendments to the NAV obtained as noted above in order to recommend a carrying value that more appropriately reflects the fair value at the Fund reporting date. The General Partner receives such recommendations from the Investment Manager and is responsible for approving the final valuation of the underlying subsidiaries.

The following summarises the valuation techniques and inputs used for investments in the Subsidiaries and fund investments categorised in Level 3 as at 31 December 2016 and 2015.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

10.3 Fair value estimation (continued)

	Fair value GBP	Valuation technique	Significant unobservable input	Range of discount rate applied
As at 31 December 2016				
Investments in the Subsidiaries	67,932,764	Discounted cash flow	Discount rate	7.00% - 11.50%
		Reasonable possible shift (absolute value)	Change in valuation GBP	
Investments in the Subsidiaries		5% movement in discount rate	9,780,937	
	Fair value GBP	Valuation technique	Significant unobservable input	Range of discount rate applied
As at 31 December 2015 (Restated)				
Investments in the Subsidiaries	21,882,258	Discounted cash flow	Discount rate	9.00% - 11.50%
		Reasonable possible shift (absolute value)	Change in valuation GBP	
Investments in the Subsidiaries		5% movement in discount rate	5,583,999	

The change in valuation disclosed in the above table shows the direction a decrease in the respective input variables would have on the valuation result. For the investments in the Subsidiaries, decreases in cost of capital would lead to an increase in estimated value.

No interrelationships between unobservable inputs used in the Fund's valuation of its Level 3 investments in the Subsidiaries have been identified.

The Fund has recognised unrealised gains of GBP46,050,506 (2015: GBP17,403,362) on its Level 3 investments, these are included in the Statement of Comprehensive Income as net changes in fair value of financial assets through profit or loss.

10.4 Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period. There were no such transfers in the current reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

11. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The General Partner makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

(a) Fair value of the investments in the Subsidiaries

The Fund may, from time to time, indirectly hold financial instruments that are not quoted in active markets such as the investments in the Subsidiaries and fund investments. Fair values of such instruments are determined by using valuation techniques (see Note 10.3). Where valuation techniques are used to determine fair values, they are periodically validated and reviewed by the Investment Manager and approved by the General Partner.

(b) Debt securities

Debt securities are not quoted on an active market and are accounted for at amortised cost. The Directors of the General Partner assess the recoverability of these debt securities through the use of cash flow models of the underlying entities held by AII(No 6)L (see Note 10.3). As at the year-end, management consider the carrying amount of the debt securities to approximate their fair value.

(c) Investment entity status

The Fund has determined that it meets the definition of an investment entity. An investment entity is defined as an entity that:

- (i) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- (ii) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- (iii) measures and evaluates the performance of substantially all of its investments on a fair value basis.

Although the Fund met all three defining criteria, the General Partner has also assessed the business purpose of the Fund, the investment strategies, the nature of any earnings and the fair value models of its investments. The General Partner made this assessment in order to determine whether any additional areas of judgement exist with respect to the typical characteristics of an investment entity versus those of the Fund.

(d) Subsidiaries

The Fund controls 100% of the voting rights and ownership interests in AII(No.5)LLP and AII(No.6)LLP.

Per IFRS 10, there is a requirement for the General Partner to assess whether the Subsidiaries are themselves Investment Entities. The General Partner has performed this assessment and has concluded that the Subsidiaries are themselves Investment Entities for the reasons below:

- (i) The Subsidiaries have obtained funds for the purpose of investing in equity or other similar interests in multiple investments and providing the Fund and its investors with returns from capital appreciation and investment income.
- (ii) The performance of investments made through the Subsidiaries are measured and evaluated on a fair value basis.

Furthermore, the Subsidiaries are themselves are not deemed to be operating entities providing services to the Fund, and therefore are able to apply the exception to consolidation.

Movements in the fair value of the Subsidiaries' portfolio and corresponding movements in the fair value of the Subsidiaries may expose the Fund to a loss.

ABERDEEN UK INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

12. FINANCIAL INSTRUMENTS BY CATEGORY

	Loans and receivables GBP	Designated at fair value through profit or loss GBP	Total GBP
As at 31 December 2016			
Assets			
Investments in the Subsidiaries	-	67,932,764	67,932,764
Debt securities	126,307,738	-	126,307,738
Receivables	7,067,807	-	7,067,807
Cash and cash equivalents	8,596	-	8,596
	<u>133,384,141</u>	<u>67,932,764</u>	<u>201,316,905</u>

As at 31 December 2015 (Restated)

Assets			
Investments in the Subsidiaries	-	21,882,258	21,882,258
Debt securities	68,322,585	-	68,322,585
Receivables	3,307,481	-	3,307,481
Cash and cash equivalents	70,582	-	70,582
	<u>71,700,648</u>	<u>21,882,258</u>	<u>93,582,906</u>

	Other financial liabilities at amortised cost GBP	Liabilities at fair value through profit or loss GBP	Total GBP
As at 31 December 2016			
Liabilities			
Payables and accruals	3,390,048	-	3,390,048

As at 31 December 2015 (Restated)

Liabilities			
Payables and accruals	608,039	-	608,039

13. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The General Partner is entitled to receive a General Partner's Share, as a first charge in accordance with clauses 9.1, 9.2 and 9.3 of the Limited Partnership Agreement. These fees are offset by the directors' fees received directly by the General Partner from underlying investments of the Fund. Any General Partner's Share not covered by these directors' fees are expensed in the Statement of Comprehensive Income. During the year, General Partner's Share of GBP2,240,902 (2015: GBP2,512,511) were charged by the General Partner, of which GBP1,940,250 (2015: GBP564,830) remained outstanding as at 31 December 2016.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2016

13. RELATED PARTY TRANSACTIONS (CONTINUED)

During the year ended 31 December 2016, management fee income of GBP962,413 (2015: GBP1,913,702) was transferred from the Subsidiaries to the Fund, of which GBP674,464 (2015: GBP590,473) from AII(No 5)L and GBP 1,820,536 (2015: GBP967,114) from AII(No 6)L remained outstanding as at 31 December 2016.

The amounts due to intercompanies are disclosed in Note 9.

14. ULTIMATE CONTROLLING PARTY

The Directors of the General Partner do not consider there to be any one ultimate controlling party.

15. UNDRAWN COMMITMENTS

As at 31 December 2016 the Fund had undrawn commitments of GBP67,000,302 (2015: GBP119,919,609).

16. LOAN COMMITMENTS, COMMITMENTS AND CONTINGENCIES

The Fund entered into a Single Currency Letter of Credit and Revolving Facilities Agreement dated 11 September 2012 (the "Agreement"), together with AII(No 6)L, as Original Borrowers, with the Banker as Lender and the Investment Manager. The Lender will make available to the Original Borrowers a sterling credit facility in an aggregate amount equal to GBP212,120,000 for the purpose of funding their working capital expenses and other costs and also to apply towards the issuance by the Lender of Letters of Credit.

The credit facility was available from 11 September 2012 to 9 September 2014 and was extended for a period of 364 days to 8 September 2015 based on the Amendment Letter to the Agreement dated 9 September 2014 and another period of 364 days to 8 September 2016 based on the Amendment Letter to the Agreement dated 9 September 2015.

The facility is due for termination on 8 September 2017.

During the year ended 31 December 2016, arrangement fees of GBP50,000 (2015: GBPnil) paid from AII(No 6)L in relation to renewal of letter of credit and revolving facilities.

17. SUBSEQUENT EVENTS

Management has evaluated the impact of all subsequent events on the Fund occurring between the end of the reporting period and 27 April 2017, the date the financial statements were available to be issued and has determined there were no subsequent events requiring adjustment or additional disclosure at the date of signing this report and the audited financial statements.