GREEN INVESTMENT GROUP LIMITED
(PREVIOUSLY UK GREEN COMMUNITY LENDING LIMITED)

COMPANY NUMBER SC574147

Directors' Report and Financial Statements
for the period 18 August 2017 to 31 March 2018

MACQUARIE

The Company's registered office is:
Atria One
144 Morrison Street
Edinburgh, EH3 8EX
United Kingdom

GREEN INVESTMENT GROUP LIMITED
(PREVIOUSLY UK GREEN COMMUNITY LENDING LIMITED)

2018 Directors' Report and Financial Statements
Contents

Directors' Report
for the period 18 August 2017 to 31 March 2018

In accordance with a resolution of the directors (the "Directors") of Green Investment Group Limited (the "Company"), the Directors submit herewith the audited financial statements of the Company and report as follows:

As the Company meets the qualifying conditions under section 382 of the Companies Act 2006 (the "Act"), the Directors have taken advantage of the exemption provided in sections 414B (as incorporated into the Act by the Strategic Report and Directors' Report Regulations 2013) and 415A of the Act for the preparation of a Strategic Report.

The Directors, by way of resolution, changed the Company name from UK Green Community Lending Limited to Green Investment Group Limited on 21 August 2017.

Directors and Secretaries
The Directors who each held office as a Director of the Company throughout the period and until the date of this report, unless disclosed otherwise, were:

Mark J Dooley	(appointed on 24 August 2017)
David V Fass	(appointed on 24 August 2017)
Daniel C Wong	(appointed on 24 August 2017)
Euan F McVicar	(appointed on 18 August 2017, resigned on 3 August 2018)
Edward P Northam	(appointed on 18 August 2017)

The Secretary who held office as a Secretary of the Company throughout the period and until the date of this report, unless disclosed otherwise, was:

Helen L Everitt	(appointed on 24 August 2017)

Principal activities
The principal activity of the Company is the making of investments and loans which gives effect to its green purpose as set out in its Articles of Association.

Results
The loss for the financial period ended 31 March 2018 of £681k was due to the activity of making investments. The loss is expected to be recovered on any future gains on the sale of such investments.

Dividends paid or provided for
No dividends were paid or proposed during the financial period.

State of affairs
The Company was incorporated on 18 August 2017. There were no other significant changes in the state of affairs of the Company that occurred during the financial period under review not otherwise disclosed in this report.
The Directors have prepared the accounts on a going concern basis as further discussed in Note 2 'Summary of significant accounting policies'.

Events after the reporting period
At the date of this report, the Directors are not aware of any other matter or circumstance which has arisen that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial periods subsequent to 31 March 2018 not otherwise disclosed in this report.

Likely developments, business strategies and prospects
The Directors believe that no significant changes are expected other than those already disclosed in this report.
The financial risk management objectives and policies of the Company and the exposure of the Company to credit risk, liquidity risk, interest rate risk and foreign exchange risk are contained within Note 17.

Directors' Report
for the period 18 August 2017 to 31 March 2018 (continued)

Indemnification and insurance of Directors
As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial period and is currently in force. The ultimate parent purchased and maintained throughout the financial period Directors' liability insurance in respect of the Company and its Directors.

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

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Disclosure of information to auditors
In the case of each Director in office at the date the Directors' Report is approved:
- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors
Pursuant to section 487(2) of the Companies Act 2006, the auditors of the Company are deemed re-appointed for each financial period unless the Directors or the members of the Company resolve to terminate their appointment. As at the date of these financial statements the Directors are not aware of any resolution to terminate the appointment of the auditors.

On behalf of the Board

DANIEL WONG
Director
10 December 2018

Independent auditors' report to the members of Green Investment Group Limited (previously UK Green Community Lending Limited)

Report on the audit of the financial statements

Our opinion

In our opinion, Green Investment Group Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss for the financial period from 17 August 2017 to 31 March 2018 (the "period");
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 March 2018; the Profit and loss account, the Statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Reporting on other information

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

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

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of Green Investment Group Limited (previously UK Green Community Lending Limited) (continued)

Director's Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit.

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

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.

Shujaat Khan - Senior Statutory Auditor
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

10 DECEMBER 2018

Financial Statements

Profit and loss account
for the period 18 August 2017 to 31 March 2018

	Note	Period ended 31 March 2018 £000
Turnover	3	1,190
Other operating expenses	4	(1,770)
Operating loss		(580)
Interest receivable and similar income	5	37
Interest payable and similar charges	6	(298)
Loss on ordinary activities before taxation		(841)
Tax credit on loss on ordinary activities	7	160
Loss for the financial period		(681)

The above Profit and loss account should be read in conjunction with the accompanying notes, which form an integral part of the financial statements.

Turnover and loss on ordinary activities before taxation relate wholly to continuing operations.

There was no other comprehensive income or expenses other than that included in the results above, and therefore no separate statement of comprehensive income has been presented.

GREEN INVESTMENT GROUP LIMITED
(PREVIOUSLY UK GREEN COMMUNITY LENDING LIMITED)

Balance sheet
as at 31 March 2018

	Note	2018 £000
Fixed and non current assets		
Investment in subsidiaries	8	**136,075**
Current assets		
Investments held for sale	9	**35,764**
Debtors	10	**277**
Current liabilities		
Creditors: amounts falling due within one year	11	**(172,797)**
Net current liabilities		**(136,756)**
Total assets less current liabilities		**(681)**
Net liabilities		**(681)**
Capital and reserves		
Called up share capital	12	**-**
Profit and loss account		**(681)**
Total shareholders' funds		**(681)**

The above Balance sheet should be read in conjunction with the accompanying notes, which form an integral part of the financial statements.

The financial statements on pages 6 to 19 were approved by the Board of Directors on 10 December 2018 and were signed on its behalf by:

DANIEL WONG

Director

Statement of changes in equity
for the period 18 August 2017 to 31 March 2018

	Called up *share capital* £000	Profit and *loss account* £000	Total shareholders' *funds* £000
Balance at 18 August 2017	-	-	-
Loss for the financial period	-	(681)	(681)
Balance at 31 March 2018	-	(681)	(681)

The above statement of changes in equity should be read in conjunction with the accompanying notes, which form an integral part of the financial statements.

Notes to the financial statements
for the period 18 August 2017 to 31 March 2018

Note 1. General information

The Company is a private company limited by shares and is registered in Scotland. The address of its registered office is Atria One, 144 Morrison Street, Edinburgh, EH3 8EX, United Kingdom.

Note 2. Summary of significant accounting policies

i) Basis of preparation

The principal accounting policies adopted in the preparation of these financial statements have been consistently applied to all the years presented, unless otherwise stated.

The Company directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101"). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as a parent of a group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in full consolidation in the consolidated financial statements of its ultimate parent Macquarie Group Limited ("MGL"), a company incorporated in Australia.

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in FRS 101 which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRS").

In accordance with FRS 101 the Company has availed of an exemption from the following requirements of IFRS:
- The requirements of IAS 7 'Statement of Cash Flows';
- The requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D and 111 of IAS 1 'Presentation of Financial Statements' (additional comparatives and capital management disclosures);
- The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'(disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- The requirements of paragraph 17 of IAS 24 'Related Party Disclosures' (key management compensation) and
- The requirements of IAS 24 to disclose related party transactions entered into between two or more members of a group where both parties to the transaction are wholly owned within the group.

ii) Going concern

As at 31 March 2018 the Company's net liabilities are £681k. Realised and anticipated gains on the sale of investments during the year ending 31 March 2019 provides adequate resources for the Company to continue in operational existence for the foreseeable future (see note 20). Therefore, the Company has adopted the going concern basis in preparing its financial statements.

Critical accounting estimates and significant judgements

The preparation of the financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The notes to the financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company and the financial statements such as;

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

Management believes that the estimates used in preparing the financial report are reasonable. Actual results in the future may differ from those reported and therefore it is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from our assumptions and estimates could require an adjustment to the carrying amounts of the assets and liabilities reported.

Notes to the financial statements
for the period 18 August 2017 to 31 March 2018 (continued)

Note 2. Summary of significant accounting policies (continued)

ii) Foreign currency translations

Functional and presentation currency

Items included in the financial statements of foreign operations are measured using the currency of the primary economic environment in which the foreign operation operates (the functional currency). The Company's financial statements are presented in 'Pound Sterling' (£), which is also the Company's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

iii) Turnover and expense recognition

Turnover is measured at the fair value of the consideration received or receivable. Turnover is recognised for the major business activities as follows:

Net interest income/expense

Interest income and expense is brought to account using the effective interest method. The effective interest method calculates the amortised cost of a financial instrument and allocates the interest income or interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or liability. Fees and transaction costs associated with loans are capitalised and included in the effective interest rate and recognised in the profit and loss over the expected life of the instrument.

Fee and commission income

Fee and commission income is recognised as the related services are performed. Where fees are subject to claw back or meeting certain performance hurdles, they are recognised as income at the point when it is highly probable that those conditions will not affect the outcome.

Expenses

Expenses are recognised on an accruals basis and, if not paid at the end of the reporting period, are reflected in the balance sheet as a payable.

iv) Taxation

The principles of the balance sheet method of tax effect accounting have been adopted whereby the income tax expense for the financial year is the tax payable on the current year's taxable income adjusted for changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and unused tax losses.

Deferred tax assets are recognised when temporary differences arise between the tax bases of assets and liabilities and their respective carrying amounts which give rise to a future tax benefit, or when a benefit arises due to unused tax losses. In both cases, deferred tax assets are recognised only to the extent that it is probable that future taxable amounts will be available to utilise those temporary differences or tax losses. Deferred tax liabilities are recognised when such temporary differences will give rise to taxable amounts that are payable in future periods. Deferred tax assets and liabilities are recognised at the tax rates expected to apply when the assets are recovered or the liabilities are settled under enacted or substantively enacted tax law.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when there is a legally enforceable right to offset and an intention to either settle on a net basis, or realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

The Company undertakes transactions in the ordinary course of business where the income tax treatment and recognition of deferred tax assets requires the exercise of judgement. The Company estimates its tax liability based on its understanding of the tax law.

Notes to the financial statements
for the period 18 August 2017 to 31 March 2018 (continued)

Note 2. Summary of significant accounting policies (continued)

v) Held for sale assets

Non-current assets are classified as assets held for sale in line with IFRS 5 when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The assets are stated at the lower of carrying amount and fair value less costs to sell unless the assets are financial assets in the scope of IAS 39, in which case they are measured in accordance with that standard.

The criteria for held for sale classification is regarded as met only when the distribution is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of the classification.

vi) Investments and other financial assets

The investments and other financial assets are classified into the following categories: loans and receivables, investments in subsidiaries and interest in associates and joint ventures. The classification depends on the purpose for which the financial asset was acquired, which is determined at initial recognition and re-evaluated at each reporting date.

Loans and receivables

This category includes fee receivables, loan assets held at amortised cost, other receivables and amounts due from related entities, which are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are recognised on settlement date.

Investments in subsidiaries

Subsidiaries held by the Company are carried in its financial statements at cost less impairment in accordance with IAS 27 Separate Financial Statements. Subsidiaries are all those entities over which the Company has the power to direct the relevant activities of the entity, exposure to significant variable returns and the ability to utilise power to affect the Company's own returns. The determination of control is based on current facts and circumstances and is continuously assessed.

The Company has power over an entity when it has existing substantive rights that give it the current ability to direct the entity's relevant activities. Relevant activities are those activities that significantly affect the entity's returns. The Company evaluates whether it has the power to direct the relevant activities. The Company also considers the entity's purpose and design. If the Company determines that it has power over an entity, the Company then evaluates whether it has exposure or rights to variable returns that, in aggregate, are significant. All variable returns are considered including, but not limited to, debt or equity investments, guarantees, liquidity arrangements, variable fees and certain derivative contracts.

The Company determines the dates of obtaining control (i.e. acquisition date) and losing control (i.e. disposal date) of another entity based on an assessment of all pertinent facts and circumstances that affect the ability to direct the relevant activities of that entity. Facts and circumstances that have the most impact include the contractual arrangements agreed with the counterparty, the manner in which those arrangements are expected to operate in practice and whether regulatory approval is required to complete. The acquisition or disposal date does not necessarily occur when the transaction is closed or finalised under law.

Subsidiaries held by the Company are carried in its financial statements at cost less impairment in accordance with IAS 27 separate financial statements.

Interest in associates and joint ventures

Associates and joint ventures are entities, over which the Company has significant influence or joint control, but not control, are carried at cost in accordance with IAS27 Separate Financial Statements.

The Company determines the dates of obtaining or losing significant influence or joint control of another entity based on an assessment of all pertinent facts and circumstances that affect the ability to significantly influence or jointly control the financial and operating policies of that entity. Facts and circumstances that have the most impact include the contractual arrangements agreed with the counterparty, the manner in which those arrangements are expected to operate in practice, and whether regulatory approval is required to complete. The acquisition/disposal date does not necessarily occur when the transaction is closed or finalised under law.

Notes to the financial statements for the period 18 August 2017 to 31 March 2018 (continued)

Note 2. Summary of significant accounting policies (continued)

vii) Impairment

Loan assets held at amortised cost

Loan assets are subject to regular review and assessment for possible impairment. Provisions for impairment on loan assets are recognised based on an incurred loss model and re-assessed at each reporting date. A provision for impairment is recognised when there is objective evidence of impairment, and is calculated based on the present value of expected future cash flows, discounted using the original effective interest rate.

Specific provisions for impairment are recognised where impairment of individual loans is identified. Where individual loans are found not to be impaired, they are placed into pools of assets with similar risk profiles and collectively assessed for losses that have been incurred but not yet specifically identified.

The Company makes judgements as to whether there is any observable data indicating that there is a significant decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of the borrowers in a group, or national or local economic conditions that correlate with defaults on assets in the group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. Changes in assumptions used for estimating future cash flows could result in a change in the estimated provisions for impairment on loan assets at the end of the reporting period.

If, in a subsequent period, the amount of impairment losses decrease and the decrease can be related objectively to an event occurring after the impairment losses were recognised, the previously recognised impairment losses are reversed through the profit and loss account to the extent of what the amortised cost would have been had the impairment not been recognised.

When the Company concludes that there is no reasonable expectation of recovering cash flows due under the asset and all possible collateral has been realised, the loan is written off either partially or in full, against the related provision. Recoveries of loans previously written off are recorded based on the cash received.

Loans and receivables

Loans and receivables are subject to regular review and assessment for possible impairment. Provisions for impairment on loans and receivables are recognised based on an incurred loss model and re-assessed at each reporting date. A provision for impairment is recognised when there is objective evidence of impairment, and is calculated based on the present value of expected future cash flows, discounted using the original effective interest rate.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through the Profit and Loss account to the extent of what the amortised cost would have been had the impairment not been recognised.

When the Company concludes that there is no reasonable expectation of recovering cash flows from the asset and all possible collateral has been realised., the loan is written off either partially or in full, against the related provision. Recoveries of loans previously written off are recorded based on the cash received. Bad debts are written off in the period in which they are identified.

Notes to the financial statements
for the period 18 August 2017 to 31 March 2018 (continued)

Note 2. Summary of significant accounting policies (continued)

vii) Impairment (continued)

Interest in associates and joint ventures

The Company performs an assessment at each reporting date to determine whether there is any objective evidence that its interests in associates and joint ventures are impaired. The entire carrying amount of each interest in associate and joint venture is considered in the assessment.

In the case of debt securities classified as available for sale, observable data that relates to loss events are considered, including adverse changes in the payment status of the issuer and national or local economic conditions that correlate with defaults on those assets.

In addition, impairment may be appropriate when there is evidence of deterioration in the financial condition of the investee, industry and sector performance, operational and financing cash flows or changes in technology.

If there is an indication that an interest in associate or joint venture may be impaired, then the entire carrying amount of the interest in the associate or joint venture is tested for impairment by comparing the recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Impairment losses recognised in the profit and loss for interests in associates and joint ventures are subsequently reversed through the profit and loss if there has been a change in the estimates used to determine the recoverable amount since the impairment loss was recognised.

Investments in subsidiaries

Investments in subsidiaries are reviewed annually for indicators of impairment, or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the investment's carrying amount exceeds its recoverable amount (which is the higher of fair value less costs to sell and value in use). At each reporting date, investments in subsidiaries that have been impaired are reviewed for possible reversal of the impairment.

Fees receivable

Fees receivable are continuously monitored for ageing debtors. Debtors that are greater than 90 days, have been assessed for recoverability and accordingly provided for.

viii) Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

GREEN INVESTMENT GROUP LIMITED
(PREVIOUSLY UK GREEN COMMUNITY LENDING LIMITED)

Notes to the financial statements
for the period 18 August 2017 to 31 March 2018 (continued)

Note 3. Turnover

	2018 £000
Interest income	679
Fee income	511
Total	**1,190**

Note 4. Loss on ordinary activities before taxation

	2018 £000
Loss on ordinary activities before taxation is stated after charging:	
Management fees	(1,224)
Professional fees	(501)
Fees payable to the Company's auditors for the audit of the Company	(14)
Other administration expenses	(31)
Total	(1,770)

The Company had no employees during the period.

Note 5. Interest receivable and similar income

	2018 £000
Interest receivable from other Macquarie Group undertakings	37
Total interest receivable and similar income	**37**

Note 6. Interest payable and similar charges

	2018 £000
Interest payable to other Macquarie Group undertakings	(298)
Total interest payable and similar expenses	**(298)**

Note 7. Tax credit on loss on ordinary activities

	2018 £000
Analysis of tax credit for the period:	
Current tax	
UK corporation tax at 19%	(160)
Tax per income statement	**(160)**

The income tax expense for the period is equal than the standard rate of corporation tax in the United Kingdom of 19%.

Note 8. Investments in subsidiaries

	2018 £000
Investments at cost	136,075
Total investments in subsidiaries	**136,075**

Notes to the financial statements
for the period 18 August 2017 to 31 March 2018 (continued)

Note 8. Investments in subsidiaries (continued)

Name of investment	Country of incorporation	2018 % ownership
Fuujin Power Limited	[1] UK	100%
Green Investment Group Investments Limited	[2] UK	100%
GIG Cloud Midco AB	[3] Sweden	100%
Indirect related undertakings		
Chaptre Greenco Holdings Limited	[4] UK	100%
Dalmatia WtE EUR Topco Limited	[4] UK	100%
Chaptre Greenco Limited	[4] UK	100%
Chaptre Investments Limited	[4] UK	100%
Dalmatia WtE EUR Holdings Limited	[4] UK	100%
GIG Cloud Holdco AB	[5] Sweden	100%
Cloud Snurran AB	[5] Sweden	100%

[1]The registered address is Two London Bridge, London, United Kingdom, SE1 9RA
[2]The registered address is Atria One, 144 Morrison Street, Edinburgh, EH3 8EX
[3]The registered address is Box 270, 851 04 Sundsvall, Stockholm, Sweden
[4]The registered address is Ropemaker Place, 28 Ropemaker Street, London, United Kingdom, EC2Y 9HD.
[5]The registered address is c/o Linklaters Advokatbyra, Regeringsgatan 67, 103 98 Stockholm, Sweeden

Note 9. Investments held for sale

	2018 £000
Investment in associates	6,939
Loans and receivables	28,825
Total investments held for sale	**35,764**

Name of investment	Country of incorporation	2018 % ownership
North Pole Vindkraft Holding AB	Sweden	50%

Note 10. Debtors

	2018 £000
Tax receivables	160
Amounts owed from other Macquarie Group Undertakings	10
Other debtors	107
Total debtors	**277**

Amounts owed by other Macquarie Group undertakings are unsecured and have no fixed date of repayment. The Company derives interest on intercompany loans to group undertakings at market rates and at 31 March 2018 the average rate applied for the period was 2.73%.

Note 11. Creditors: amounts falling due within one year

	2018 £000
Accruals and deferred income	(6)
Amounts owed to other Macquarie Group undertakings	(172,791)
Total creditors amounts falling due within one year	**(172,797)**

Amounts owed to other Macquarie Group undertakings are unsecured and have no fixed date of repayment. The Company derives interest on intercompany loans to group undertakings at market rates and at 31 March 2018 the average rate applied for the period was 2.73%.

Notes to the financial statements
for the period 18 August 2017 to 31 March 2018 (continued)

Note 12. Called up share capital

	2018 Number of shares	2018 £
Ordinary share capital		
Opening balance of fully paid ordinary shares	**100**	100
Closing balance of fully paid ordinary shares	**100**	100

Note 13. Capital management strategy

The Company's capital management strategy is to maximise shareholder value through optimising the level and use of capital resources, whilst also providing the flexibility to take advantage of opportunities as they may arise.

The Company's capital management objectives are to:
- ensure sufficient capital resource to support the Company's business and operational requirements;
- safeguard the Company's ability to continue as a going concern.

Periodic reviews of the entity's capital requirements are performed to ensure the Company is meeting its objectives.
Capital is defined as share capital plus reserves, including profit and loss account.

Note 14. Related party information

As 100% of the voting rights of the Company are controlled within the group headed by MGL, incorporated in Australia, the Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with entities which form part of the Macquarie Group. The consolidated financial statements of MGL, within which the Company is included, can be obtained from the address given in Note 19.

In line with the Company's activities it has provided financing to associates and joint ventures. Total balance outstanding, included within investments, at the year ending 31 March 2018 is £35,764k with interest recognised in the profit and loss for the year totaling £679k. Underlying transactions are arranged and settled in line with prevailing market terms. Outstanding commitments for the Company relate solely to associates and joint ventures.

All related undertakings have been disclosed in notes 8 and 9.

Note 15. Directors' remuneration

During the financial period ended 31 March 2018 all Directors were employed by and received all emoluments from other Macquarie Group undertakings. The Directors perform directors' duties for multiple entities in the Macquarie Group, as well as their employment duties within Macquarie Group businesses. Consequently, allocating their employment compensation accurately across all these duties would not be feasible. Accordingly, no separate remuneration has been disclosed.

Note 16. Contingent liabilities and commitments

Commitments exist in respect of	**2018 £000**
Investment commitments	**118,974**
Balance at the end of the financial year	**118,974**

At initial investment stage, the Company commits to an agreed level of cash funding. Given that not all of this funding is drawn down immediately the Company has future investment commitments to satisfy. These commitments represent future cash flows down into investments and are needed by the investee to match the cash requirement of the underlying investment projects. The table above shows the level of outstanding commitments at the Balance sheet date.

Notes to the financial statements
for the period 18 August 2017 to 31 March 2018 (continued)

Note 17. Financial risk management

Risk management group

Risk is an integral part of the Macquarie Group's businesses. The main risks faced by the Group are market risk, equity risk, credit risk, liquidity risk, operational risk, legal risk and compliance risk. Responsibility for risk management lies at the business level. It is the responsibility of the Risk Management Group ("RMG") to ensure appropriate assessment and management of these risks.

RMG is independent of all other areas of the Macquarie Group. RMG approval is required for all material risk acceptance decisions. RMG identifies, quantifies and assesses all material risks and sets prudential limits. Where appropriate, these limits are approved by the Executive Committee and the Board. The head of RMG, as Macquarie's Chief Risk Officer, is a member of the Executive Committee of MGL and MBL and reports directly to the Chief Executive Officer with a secondary reporting line to the Board Risk Committee.

The risks which the Company are exposed to are managed on a globally consolidated basis for MGL as a whole, including all subsidiaries, in all locations. Macquarie's internal approach to risk ensures that risks in subsidiaries are subject to the same rigour and risk acceptance decisions (i.e. not differentiating where the risk is taken within Macquarie).

Note 17.1 Credit risk

Credit risk is the risk of a counterparty failing to complete its contractual obligations when they fall due. The consequent loss is either the amount of the loan not repaid or the loss incurred in replicating a trading contract with a new counterparty.

Credit risk within the Company is managed on a group basis by the RMG at MGL.

The balances disclosed in the credit risk tables below exclude financial assets that are subject to risks other than credit risk, such as equity investments and interest in associates and joint ventures.

Maximum exposure to credit risk

The table below details the concentration of maximum exposure to credit risk of the Company's assets, credit commitments and contingent liabilities by significant geographical locations and counterparty type. The geographical location is determined by the domicile and industry type of the counterparty.

2018	Loans and receivables held for sale £000	Amounts owed by other Macquarie Group undertakings £000	Other debtors £000	Total £000
Europe, Middle East & Africa				
Other	28,825	10	107	28,942
Total gross credit risk	28,825	10	107	28,942

Excludes non-financial assets totalling £143k.

Credit quality of financial assets

The table below details the credit quality of the Company's financial assets for the maximum exposure to credit risk. The credit quality is based on the individual counterparty's credit rating and industry type using the Company's credit rating system.

	Neither past due nor impaired			
2018	Investment Grade £000	Below Investment Grade £000	Unrated £000	Total £000
Loans and receivables held for sale	-	-	28,825	28,825
Amounts owed by other Macquarie Group undertakings	-	-	10	10
Other debtors	-	-	107	107
Total	-	-	28,942	28,942

Notes to the financial statements
for the period 18 August 2017 to 31 March 2018 (continued)

Note 17. Financial risk management (continued)

Note 17.2 Liquidity risk

Liquidity risk is the risk of an entity encountering difficulty in meeting obligations with financial liabilities.

Liquidity risk within the Company is managed on a group basis by Group Treasury with oversight from the Asset and Liability Committee and RMG.

Contractual undiscounted cash flows

The table below summarises the maturity profile of the Company's financial liabilities as at 31 March based on contractual undiscounted repayment obligations. Repayments which are subject to notice are treated as if notice were given immediately. However, the Company expects that many customers will not request repayment on the earliest date the Company could be required to pay.

2018	On demand £000	Less than 3 months £000	3 to 12 months £000	1 to 5 years £000	Total £000
Amounts owed to other Macquarie Undertakings	(172,791)	-	-	-	(172,791)
Total undiscounted cash flows	**(172,791)**	**-**	**-**	**-**	**(172,791)**

Excludes items that are not financial instruments and non contractual accruals and provisions.

Note 17.3 Market risk

Market risk is the exposure to adverse changes in the value of Company's financial assets and liabilities as a result of changes in market prices or volatility. The Company is exposed to the following risks in each of the major markets in which it trades:

- foreign exchange: changes in spot and forward exchange rates;
- interest rates: changes in the level, shape and volatility of yield curves; and
- the Company is also exposed to the correlation of market prices and rates within and across markets.

Market risk of the Company is managed on a globally consolidated basis for Macquarie Group as a whole, including all subsidiaries, in all locations. Macquarie's internal approach to risk (i.e. not differentiating where the risk is taken within Macquarie) ensures that risks in subsidiaries are subject to the same rigour and risk acceptance decisions.

Interest rate risk

The Company has exposure to non-traded interest rate risk generated by interest bearing receivables and payables.

The table below indicates the Company's exposure to movements in interest rates as at 31 March.

	2018	
	Movement in basis points	Sensitivity of profit before tax £000
Great British Pound	+50	(3)
Great British Pound	-50	3

Foreign currency risk

The Company is exposed to foreign currency risk arising from transactions entered into in its normal course of business. Movement in foreign currency exchange rates will result in gains or losses in the profit and loss account due to the revaluation of certain balances or in movements in the foreign currency translation reserve due to the revaluation of foreign operations.

Sensitivity to movements in the Great British Pound rate against various foreign currencies at 31 March would have no material impact upon the profit and loss account.

Notes to the financial statements
for the period 18 August 2017 to 31 March 2018 (continued)

Note 18. Fair values of financial assets and financial liabilities

As at 31 March 2018, the Company does not hold any financial instruments measured at fair value.

Note 19. Ultimate parent undertaking

At 31 March 2018 the immediate parent undertaking of the Company is UK Green Investment Bank Limited.

The ultimate parent undertaking and controlling party of the Company is MGL. The largest group to consolidate these financial statements, is MGL, a company incorporated in Australia. The smallest group to consolidate these financial statements, is Macquarie Financial Holdings Pty Limited ("MFHPL"), a company incorporated in Australia. Copies of the consolidated financial statements for MGL and MFHPL can be obtained from the Company Secretary, Level 6, 50 Martin Place, Sydney, New South

Note 20. Events after the reporting year

On 28 November 2018 the investment in North Pole Vindkraft Holding AB, classified as held for sale as at 31 March 2018, was sold for a gain of £16.9m.