



GCP Infrastructure Investments Limited

Annual report and consolidated financial statements 2013



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GCP Infrastructure Investments Limited is the only UK-listed fund focused primarily on investments in UK infrastructure debt. The Company's diversified investment portfolio is secured against long-dated, public-sector backed cash flows and offers partial inflation protection.

The Company is a closed-ended investment company incorporated in Jersey. It was admitted to the Official List and to trading on the London Stock Exchange's Main Market in July 2010 since when it has grown to a market capitalisation of just over £300 million.

The Company achieves its investment policy by investing substantially all its capital in GCP Infrastructure Fund Limited. As at 30 September 2013, the Company held c. 80% of issued share capital in the Master Fund.



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www.gcpuk.com

At a glance

£308.1m

Market capitalisation

2012 – £128.6m

£293.6m

Total net assets

2012 – £121.8m

104.35p

NAV* per share

2012 – 100.95p

7.6p

Dividends paid

2012 – 7.5p

£19.5m

Profit for the year

2012 – £4.3m

30

Number of investments

2012 – 14

Highlights for the year

- C Share issue in October 2012 raised £144.4 million and tap issue in September 2013 raised a further £22.0 million
- 16 new loans advanced totalling c. £168.6 million secured against UK PFI and renewable energy projects, with a further £42.4 million advanced post year end
- Third party valuation of the Group's investment portfolio of £344.1 million as at 30 September 2013, of which the Company's share totalled £295.1 million
- Investment portfolio performing in line with expectations, with underlying infrastructure projects reporting no material operational issues
- Company's net asset value of £293.6 million as at 30 September 2013*, an increase of 141% over the year
- Net asset value of 104.35 pence per Ordinary Share as at 30 September 2013
- Total comprehensive income for the year of £19.5 million, a fourfold increase from the prior year
- Interim dividend of 3.8 pence paid for the six month period to 31 March 2013, and final dividend of 3.8 pence declared for the six month period to 30 September 2013, with a scrip dividend alternative
- Intention to move to payment of quarterly dividends starting from and including the quarter ending 31 December 2013, with payment in February 2014
- Due diligence currently being carried out on a variety of PFI and renewable energy transactions

* The NAV referred to in the Annual report and consolidated financial statements is calculated in accordance with the prospectus and reconciliation to the NAV per the financial statements, prepared in accordance with International Financial Reporting Standards, is provided in note 18.

Investment objectives

The Company invests in UK infrastructure debt to meet the following key objectives.

Dividend income

To provide shareholders with regular, sustained, long-term distributions

The Company has maintained or steadily increased its dividend in every period since inception, and has paid or declared a dividend of 3.8 pence for the previous three semi-annual periods. The Company intends to move to quarterly dividend payments from and including the quarter ending 31 December 2013.

KPI

7.6p

Dividends paid in 2013

£19.5m

Profit for the year

Capital preservation

To preserve the capital value of its investment assets over the long term

The valuation of each of the Group's investments is in excess of the principal value outstanding. The increase in valuation of investments has resulted in the net asset value per Ordinary Share reaching 104.35 pence. The Ordinary Shares have always traded at a premium to the net asset value.

KPI

104.35p

NAV per share

109.50p

Share price as at 30 September 2013

Diversification

To generate a diversified portfolio of debt secured against UK infrastructure projects

The Company has increased the number of investments in its portfolio from 14 to 30 over the course of the year. The investment portfolio is exposed to a wide variety of sectors in terms of project type and underlying cash flow. No single investment makes up more than 10% of the portfolio.

KPI

30

Number of investments

8.9%

Size of largest investment

Portfolio at a glance

The Group's portfolio comprises of projects falling under the following classifications.

Portfolio by project type



PFI

44%



Rooftop solar

23%



Biomass projects

15%



Anaerobic digestion

9%



Onshore wind

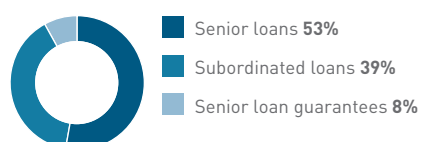
5%



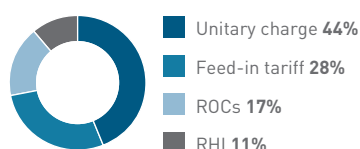
Commercial solar

4%

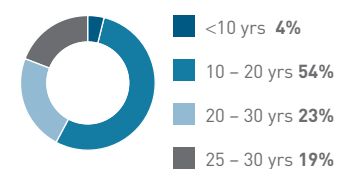
Portfolio by investment type



Portfolio by cash flow type



Portfolio by expected term



Chairman's statement



Ian Reeves CBE
Chairman



The Company successfully raised in excess of £160 million during the year, a clear reflection of the continued shareholder confidence in the Company's investment strategy.

Introduction

On behalf of the Board, I am pleased to report that the Company and the Group have achieved another year of considerable growth. The Company delivered a strong set of results with a total shareholder return of 9.8% and a dividend yield of 7.6%. The Company successfully raised in excess of £160 million during the year, a clear reflection of the continued shareholder confidence in the Company's investment strategy. The Master Fund made 16 infrastructure debt investments totalling £168.6 million and the net asset value of the Company grew from £121.8 million to £293.6 million.

The economic climate in the UK is starting to look somewhat more buoyant, although interest rates persist at record lows and inflation hangs stubbornly above the Bank of England's target. In their search for income generative and defensive investments, investors are increasingly looking to the infrastructure sector as an alternative asset class to traditional sectors such as equities and fixed income.

The Company offers investors exposure to UK infrastructure debt secured against secure, predictable, public-sector backed and inflation protected cash flows whilst generating yields considerably in excess of Government bonds. This investment profile of high risk adjusted yield is

unusual in the listed fund market and is reflected in the Company's share price that has remained at a premium to net asset value throughout the year.

Net asset growth

The October 2012 C Share issue that raised £144.4 million and the September 2013 tap issue that raised £22.0 million were both significantly oversubscribed. The capital raised was invested in 16 infrastructure loans with an aggregate value of £168.6 million, 17% secured against PFI assets, 27% against biomass projects, 23% against rooftop solar panels, 22% against small scale biomass boilers and 11% against onshore wind installations. A further £42.4 million was invested post year end leaving the Master Fund substantially fully invested.

Investment performance and valuation

There have been no material operational or construction issues with any of the infrastructure projects that support the Group's investments and all payments of principal and interest have been received in line with expectations.

Mazars LLP, the Valuation Agent to the Master Fund, provides independent monthly valuations of the investment portfolio. In light of tightening yields in the secondary PFI and renewable energy markets, during the year Mazars reduced the discount rates used to value several of the Master Fund's assets leading to a c. 4% increase in the Company's net asset value.

Overall this has been a strong year of continued growth for the Group. The outlook for 2014 remains positive and we feel confident that we can continue to find high quality assets at attractive yields.

The weighted average discount rate used to value the Master Fund's investment portfolio fell from 9.65% to 9.21% over the year.

Financial performance

Over the year the Company generated a net profit on an investment basis of £19.5 million, up from £4.3 million in 2012. The net asset value of the Company on an investment basis has risen from £121.8 million to £294.6 million due to the capital raised and the revaluations in the year. The net asset value per share has increased by 3.40 pence to 4.35 pence. These movements have been underpinned by stable investment performance and cash flows during the year.

Dividends

The financial performance of the Company allowed a dividend payment for the six month period to 31 March 2013 of 3.8 pence. A final dividend, also of 3.8 pence, was declared on 18 November 2013. For the three month period to 31 December 2013 onwards, we intend to pay dividends on a quarterly basis.

Investment portfolio

As at 30 September 2013 the Group's investment portfolio consisted of 30 loans secured against 87 individual PFI and renewable energy projects. The largest single investment comprises c. 8.9% of the total. The majority of the underlying projects are operational, with 14% in construction as at the year end.

Future structure of the Group

Since its IPO, the Company has been the primary capital raising vehicle for the Master Fund. In light of the fact that the Company currently holds 80.43% of the Master Fund Ordinary Shares in issue, the Directors of the Master Fund and the Company are in the process of reviewing the most appropriate structure going forward. Any restructuring which may be undertaken following this review would be subject to the obtaining of any necessary regulatory and shareholder consents and would have particular regard to the interests of the minority shareholders of the Master Fund.

Market outlook

The Master Fund's recent investment in the Salford Pendleton social housing PFI has demonstrated that there remains demand for subordinated PFI debt, particularly where such debt can create senior debt products that are attractive to pension funds and insurers. However, during the year, there has been a significant increase in the pricing of operational PFI projects as more investors enter the market and the Investment Adviser has found it challenging to find high quality assets priced at levels that would allow the Company to meet its return targets.

The Master Fund recently financed a new sixth form teaching facility, securing the investment against hire purchase payments payable by a maintained school supported by a local

authority. Such investments demonstrate the Master Fund's ability to take advantage of innovative and highly attractive investment opportunities in a market still relatively starved of long dated debt whilst maintaining the credit quality of an investment portfolio secured against public-sector backed cash flows.

There remain a relatively small number of long-dated lenders to the renewable energy sector and this shortage continues to allow the Master Fund to invest, typically on a senior secured basis, against a wide variety of project types. The Investment Adviser is currently progressing opportunities in the solar, on-shore wind and biomass sectors, all of which are supported by public sector subsidy cash flows.

Overall, this has been a strong year of continued growth for the Group. The outlook for 2014 remains positive and we feel confident that we can continue to find high quality assets at attractive yields and as a result we are currently considering various near term funding options which may include a capital raise.



Mr Ian Reeves CBE
Chairman

Strategic report

Overview



Strategic overview

Investment in UK infrastructure debt secured against projects generating long-dated, predictable, public-sector backed cash flows.

[→ Read more pages 08 to 09](#)



UK infrastructure market

PFI projects generating unitary charge payments and renewable energy projects generating subsidy payments.

[→ Read more pages 10 to 11](#)



Review of the year

A period of substantial growth through capital raised and invested in a variety of PFI and renewable energy projects.

[→ Read more pages 12 to 17](#)



Investment portfolio

A diversified portfolio of 30 UK infrastructure debt investments with a valuation of £344.1 million.

[➔ Read more pages 18 to 19](#)



Market outlook

Increase in pricing in operational PFI and renewable energy projects but continuing opportunities given lack of long dated lenders to UK infrastructure.

[➔ Read more pages 20 to 21](#)



Risks and uncertainties

Given public-sector backed nature of underlying cash flows, primary risks and uncertainties are operational in nature.

[➔ Read more pages 22 to 23](#)

Strategic overview

Investment in UK infrastructure debt secured against projects generating long-dated, predictable, public-sector backed cash flows.

Investment policy

The Company's investment objectives are to provide its shareholders with regular, sustained, long-term distributions and to preserve the capital value of its investment assets over the long term, by generating exposure to subordinated PFI debt and/or similar assets.

The Company's investment objectives are in line with the investment objectives of the Master Fund.

The Company achieves its investment objectives by investing substantially all of its capital in ordinary redeemable income shares of the Master Fund.

Investment objective and policy of the Master Fund

The Master Fund seeks to provide investors with regular long-term distributions and to preserve the capital value of its investment portfolio. The Master Fund invests, and will seek to continue to make investments, in subordinated debt instruments issued by infrastructure project companies,

their owners, or their lenders, and assets with a similar economic effect. The Master Fund may also acquire (or acquire interests in) the senior debt of infrastructure project companies, or their owners.

The Master Fund targets an ongoing dividend for holders of Master Fund income shares of 8% per annum (by reference to the initial subscription price of the Master Fund income shares of £1.00 per share).

Investment strategy of the Master Fund

The Master Fund achieves its investment objectives primarily by seeking exposure to debt (both senior and subordinated) secured against UK infrastructure projects with the following characteristics:

- pre-determined, very long-term, public sector-backed revenues;
- no construction or property risk; and
- contracts where payments do not depend on the level of use of the project assets.

In accordance with the Master Fund Prospectus, the investments as described above must make up a minimum of 75% of the Master Fund's total assets.

Target dividend payment

The Company targets dividend payments of 8 pence per Ordinary Share per year. The target dividend payment is set at a level that broadly reflects the dividends that the Company expects to receive from the Master Fund and is therefore dependent on the Master Fund generating its target return.

Distribution policy

The Company, as far as reasonably practicable and taking into account the costs of the Company and its working capital requirements, distributes by way of dividend payments to Ordinary Shareholders all income that it receives from the Master Fund up to the target dividend payment of 8 pence per Ordinary Share.

Gearing

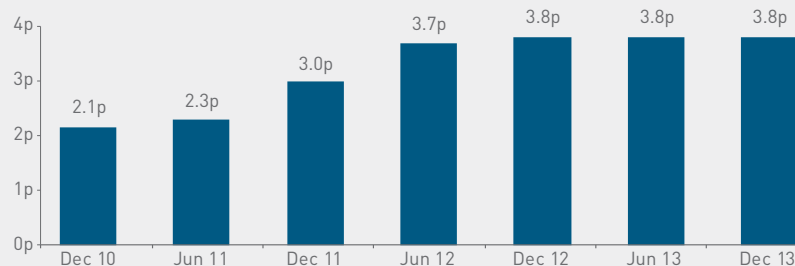
Structural gearing is permitted at Company level up to a maximum of 20% of the Company's net asset value immediately following draw down of the relevant debt. The Company does not currently have any debt facilities in place and does not currently intend to introduce gearing except in the event that it would become more cost-efficient to introduce gearing.

The Master Fund may utilise leverage for structural purposes and for short-term purposes. The Master Fund's borrowings shall not in any event exceed 20% of the Master Fund's net asset value as at the time any such borrowings are drawn down. The Master Fund will be indirectly exposed to gearing to the extent that the underlying investments are themselves geared, which will often be the case. The Master Fund does not currently have any debt facilities in place.

Diversification

It is the objective of the Master Fund to generate a diversified portfolio and to maintain this portfolio so that no more than 10% in value of the Master Fund's total assets consist of securities or loans relating to any one individual asset or counterparty. This objective is subject to the Master Fund having a sufficient level of investment capital and the ability of the Master Fund to invest cash in suitable investments. Similarly, it is the intention of the Master Fund Directors that assets are (as far as is reasonable in the context of a UK infrastructure portfolio) appropriately diversified by asset type (PFI healthcare, PFI education, solar power, biomass) and by revenue source (NHS Trusts, local authorities, FIT, ROCs).

Dividend history



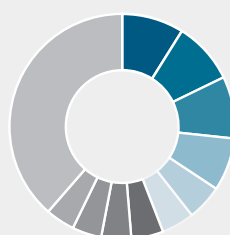
£7.6p

Dividends paid in 2013

£19.5m

Profit for the year

Breakdown of portfolio



- GCP Biomass 1 Ltd
- GCP Rooftop Solar 4 Ltd
- GCP Healthcare 1 Ltd
- GCP RHI Boiler 1 Ltd
- GCP Rooftop Solar 2 Ltd
- Grosvenor PFI Holdings Ltd
- GCP Biomass 1 C Ltd
- GCP Commercial Solar 1 Ltd
- GCP Rooftop Solar 1 Ltd
- T-26 GEM Infrastructure Ltd
- 20 other investments

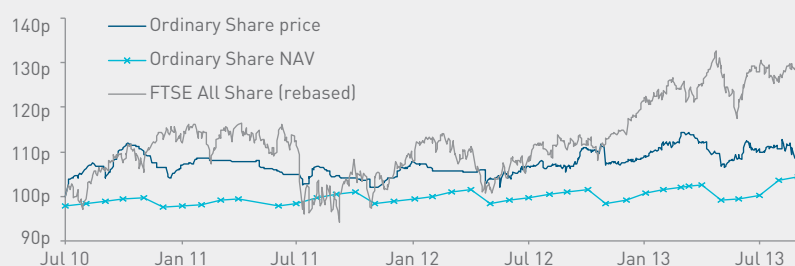
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Number of investments

8.9%

Size of largest investment

Share price performance



104.35p

NAV per share

109.50p

Share price as at 30 September 2013

UK infrastructure market

The Company has exposure to a diversified portfolio of investments exposed to a variety of UK infrastructure sectors including education, healthcare and renewable energy projects.

Social and economic infrastructure

Since the mid-1990's, the UK Government has procured about £55 billion of infrastructure development using the Private Finance Initiative structure. Under a PFI, a private sector consortium enters into a contract with a central or local government entity (e.g. a local authority in the case of a school or an NHS trust in the case of a hospital) to design, finance, build and operate an infrastructure asset. The term of the contract post construction is typically 25-30 years, during which time the private sector consortium is required to operate the infrastructure asset and in return is paid a fee. The payment of such a fee is typically not dependent on the level of use of the infrastructure asset, but on whether the asset is available for use. As such, PFI structures create long dated and predictable cash flows payable by central or local government entities.

Renewable energy infrastructure

Renewable energy is energy from resources which are naturally replenished, such as sunlight, wind and wood. In recent years there have arisen significant concerns in relation to both the limited nature of many traditional sources of power, such as oil, gas and coal, and the impact that the use of such sources has upon the environment. As a result, a substantial political will has developed to encourage the take-up of renewable energy as a proportion of total energy use on a global level. Specifically, the EU's Renewable Energy Directive has set binding targets on member states to produce a pre-agreed proportion of energy consumption from renewable sources such that the EU as a whole shall obtain at least 20% of its total energy from renewables by 2020.

In the UK, a variety of incentives have been introduced by the Government in order to increase the country's use of renewable energy, including the Feed-in Tariff scheme, the Renewables Heat Incentive and the Renewables Obligation scheme. These subsidies are typically payable over a 20-30 year period to an owner of eligible renewable energy projects for the generation of power using renewable sources. As such, renewable energy projects that receive subsidy payments generate long dated and predictable cash flows that are either implicitly or explicitly supported by the UK Government.

The UK Government has procured about £55 billion of infrastructure development using the Private Finance Initiative.

Debt financing of UK infrastructure

Given the high capital cost and long-dated cash flows generated by infrastructure assets, they are most efficiently financed by long-dated debt. Prior to the financial crisis in 2007, this was typically provided by either the banking or debt capital markets. The banking market has withdrawn significantly from the long-dated lending sector for liquidity and regulatory reasons. Since the collapse of the monoline insurance industry there also have been extremely few new infrastructure bond issues. As such there are currently only a limited number of providers of long-dated debt to finance new infrastructure development, particularly for smaller infrastructure assets.

Target investments for the Company

The investment strategy of the Company and the Master Fund is to gain exposure to debt secured against UK infrastructure projects that generate long-dated public-sector backed revenues. This strategy seeks to take advantage of the demand and supply imbalance that has existed in the long-dated infrastructure debt sector for the last five years, specifically in the PFI and renewable energy sectors.



Review of the year

Investment in UK infrastructure debt secured against projects generating long-dated, predictable, public-sector backed cash flows.

Capital raised

The Company raised a total of £166.4 million during the year to 30 September 2013. £144.4 million was raised in October 2012 through a C Share issue that was considerably over-subscribed. The C Shares converted into Ordinary Shares on 9 April 2013. The Company raised an additional £22 million through a tap issue on 26 September 2013 which was also significantly over-subscribed. Substantially all of the capital raised during the year has been deployed.

Investment performance

None of the infrastructure projects supporting the Master Fund's investment portfolio have reported any material operating issues. Those projects that are in construction are proceeding as anticipated. All loan debt service has been received in line with expectations.

In the view of the Valuation Agent, Mazars LLP, over the last year the discount rates used to value PFI assets traded in the secondary market have contracted resulting in the fall in subordinated debt and equity yields available on such investments. Additionally the renewable energy market has seen the emergence of a material number of both equity and debt offerings generating yields below the discount rates that have historically been used to value the Master Fund's renewable energy portfolio.

In light of this market movement, the Valuation Agent reduced the discount rates used to value certain of the Master Fund's loans during the year resulting in a c. 4% increase in the NAV of the Master Fund.

On 9 April 2013 the Master Fund made a loan of £26 million to GCP RHI Boiler 1 Limited. The proceeds of the loan were used to fund a debt facility to be drawn down to finance biomass boilers to be installed on commercial premises. The demand for such boilers was not as high as anticipated and given that the demand for the boilers was not expected to improve in the near-term, GCP RHI Boiler 1 Limited repaid the £26 million in full on 25 November 2013.

The Master Fund is exposed to a PFI contract with the South London Healthcare NHS Trust, which got into financial difficulties in 2012.

The Trust was put into special administration in July 2012, and following a re-organisation of healthcare services in the area its

obligations were taken over by Kings College Hospital NHS Foundation Trust with no impact on the PFI contract.

This outcome provided comfort as to the robustness of the Health and Social Care Act 2012 under which the Secretary of State guarantees all of a NHS Trusts' liabilities of the body so as

to secure that all of its liabilities are dealt with, and specifically that the UK Government would not unilaterally seek to amend or renege on existing contracts and supports all NHS Trust obligations.

Financial performance

Revenue

	Year ended 30 September 2013		Year ended 30 September 2012	
	Investment basis £'000	IFRS basis £'000	Investment basis £'000	IFRS basis £'000
Income				
Deposit interest income	25	447	16	203
Fair value movements	22,426	28,754	6,157	9,818
	22,451	29,201	6,173	10,021
Expense				
General expenses	(752)	(4,921)	(537)	(2,754)
One off transaction costs	(2,199)	(2,233)	(1,318)	(1,335)
	(2,951)	(7,154)	(1,855)	(4,089)
Total operating profit before finance costs	19,500	22,047	4,318	5,932
Finance costs	—	(2,525)	—	(1,606)
Profit for the year	19,500	19,522	4,318	4,326
Earnings per share	10.21p	10.22p	5.78p	5.79p

On an investment basis, profit for the year was £19.5 million (30 September 2012: £4.3 million), with the increase attributable to fair value movements of £22.4 million (30 September 2012: £6.2 million) generated from a significantly increased asset base of £293.1 million (30 September 2012: £121.7 million).

Profits are primarily derived from interest accruing on the Master Fund's investments in the year. In addition to this the Valuation Agent reduced the discount rates used to value certain investments during the course of the year. This led to a fair value gain of £12.0 million being recorded by the Group in the year.

One off transaction costs during the year relate entirely to the C Share issue by the Company and corresponding placing fees, legal fees and administration costs.

The Group incurred finance costs of £21k (2012: £257k) during the year.

Review of the year continued

Investments made during the year

During the year the Master Fund advanced 16 investments totalling £168.6 million.

Investment	Loan		Project
Civic PFI Ltd	Amount	£4.4m	An operational accommodation PFI project for adults with mental health and learning difficulties
	Interest rate	8.68%	
	Term	24 years	
	Security	Subordinated	
Civic PFI II Ltd	Amount	£2.4m	An operational emergency services PFI project
	Interest rate	9.20%	
	Term	16 years	
	Security	Subordinated	
GCP Asset Finance 1 Ltd	Amount	£5.2m	A recently completed sixth form teaching facility at school on the Isle of Wight
	Interest rate	8.00%	
	Term	14 years	
	Security	Senior	
GCP Biomass 1 Ltd	Amount	£30.0m	A series of 500kW on-farm anaerobic digestion plants under construction in Northern Ireland
	Interest rate	10.50%	
	Term	13 years	
	Security	Senior	
GCP Biomass 1 Ltd C Notes	Amount	£15.0m	A 15.8MWe wood-fuelled biomass combined heat and power plant under construction in Northern Ireland
	Interest rate	9.79%	
	Term	19 years	
	Security	Subordinated	
GCP Healthcare 1 Ltd (formerly Infrastructure Intermediaries 1 Ltd)	Amount	£4.2m	Various operational PFI healthcare and LIFT projects
	Interest rate	8.94%	
	Term	27 years	
	Security	Subordinated	
GCP Healthcare 1 Ltd (formerly Infrastructure Intermediaries 1 Ltd) D Notes	Amount	£2.3m	An operational education PFI project comprising schools in Scotland
	Interest rate	9.20%	
	Term	26 years	
	Security	Subordinated	
GCP Onshore Wind 1 Ltd A Notes	Amount	£5.0m	A single site, two-turbine, 6.8MW wind farm under construction in Suffolk
	Interest rate	9.09%	
	Term	16 years	
	Security	Senior	
GCP Onshore Wind 1 Ltd B Notes	Amount	£4.5m	A single site, two-turbine, 4MW wind farm under construction in Norfolk
	Interest rate	9.09%	
	Term	16 years	
	Security	Senior	
GCP Onshore Wind 1 Ltd C Notes	Amount	£3.1m	A single site, two-turbine, 4MW wind farm under construction in Norfolk
	Interest rate	9.09%	
	Term	16 years	
	Security	Senior	

Investment	Loan		Project
GCP Onshore Wind 2 Ltd	Amount	£5.1m	Three single site, 500kW wind turbines under construction in Scotland
	Interest rate	9.84%	
	Term	19 years	
	Security	Senior	
GCP RHI Boiler 1 Ltd	Amount	£26.0m	A series of 199kW biomass boilers to be installed in commercial properties*
	Interest rate	10.92%	
	Term	12 years	
	Security	Senior	
GCP RHI Boiler 2 Ltd	Amount	£11.3m	A series of 160kW to 975kW biomass boilers to be installed in commercial properties
	Interest rate	11.46%	
	Term	17 years	
	Security	Senior	
GCP Rooftop Solar 3 Ltd (formerly Infrastructure Intermediaries 5 Ltd) B Notes	Amount	£9.2m	A portfolio of domestic rooftop solar panel installations
	Interest rate	9.31%	
	Term	19 years	
	Security	Senior	
GCP Rooftop Solar 4 Ltd (formerly Infrastructure Intermediaries 6 Ltd)	Amount	£30.0m	A portfolio of domestic rooftop solar panel installations
	Interest rate	9.31%	
	Term	19 years	
	Security	Senior	
Salford PFI	Amount	£10.9m	New Pendleton social housing refurbishment PFI project
	Interest rate	8.52%	
	Term	29 years	
	Security	Subordinated	

Post year end investments

Post year end, the Master Fund advanced a further three investments totalling £42.4 million.

GCP Biomass 2 Ltd	Amount	£14.5m	A 10.3MWe recovered wood-fuelled power plant under construction in Birmingham
	Interest rate	8.68%	
	Term	17 years	
	Security	Senior	
GCP Onshore Wind 2 Ltd	Amount	£6.5m	Three 500kW single turbine wind sites under construction in Scotland and Wales
	Interest rate	9.20%	
	Term	19 years	
	Security	Senior	
GCP Onshore Wind 3 Ltd	Amount	£21.4m	A single site five turbine 15MW windfarm under construction in Northern Ireland
	Interest rate	9.20%	
	Term	19 years	
	Security	Senior	

*The GCP RHI Boiler 1 Ltd loan was prepaid post year end.

Review of the year continued

The Company's net assets have grown 141% over the course of the year.

Net assets

	Year ended 30 September 2013		Year ended 30 September 2012	
	Investment basis £'000	IFRS basis £'000	Investment basis £'000	IFRS basis £'000
Assets				
Cash and cash equivalents	936	25,391	189	9,592
Receivables and prepayments	10	3,127	28	2,391
Investments at fair value	293,081	344,142	121,670	157,070
Total assets	294,027	372,660	121,887	169,053
Payables and accrued expenses	(384)	(3,795)	(65)	(3,078)
Non-controlling interests	—	(75,249)	—	(44,203)
Total liabilities	(384)	(79,044)	(65)	(47,281)
Net assets attributable to owners of the Company	293,643	293,616	121,822	121,772

On an investment basis, investments at fair value were £293.1 million at 30 September 2013 (30 September 2012: £121.7 million). This represents an increase during the year of £171.4 million or 141%, primarily due to additional capital raised through the C Share and tap issue, and the revaluation of certain assets by the Valuation Agent.

The Master Fund had £25 million of cash as at year end. The majority of this has since been deployed to pay the dividend announced in October 2013 and to acquire further investments.

The cash balance held in the Company is maintained solely to cover general running expenses incurred.

£293.6m

Total net assets

2012 - £121.8m

A final dividend of 3.8 pence was declared on 18 November 2013.

Dividends paid

The Company returns substantially all of the income it receives in dividends from the Master Fund to shareholders. It targets a dividend yield of 8% per annum (by reference to the IPO price of £1 per Ordinary Share).

The Company has declared two dividends which relate to the year. An interim dividend of 3.80 pence relating to the period 1 October 2012 to 31 March 2013 was declared on 17 May 2013.

A final dividend, also of 3.8 pence, in relation to the year to 30 September 2013, was declared on 18 November 2013. The total dividend paid for the year was therefore 7.6 pence per Ordinary Share.

Net asset value and share price performance

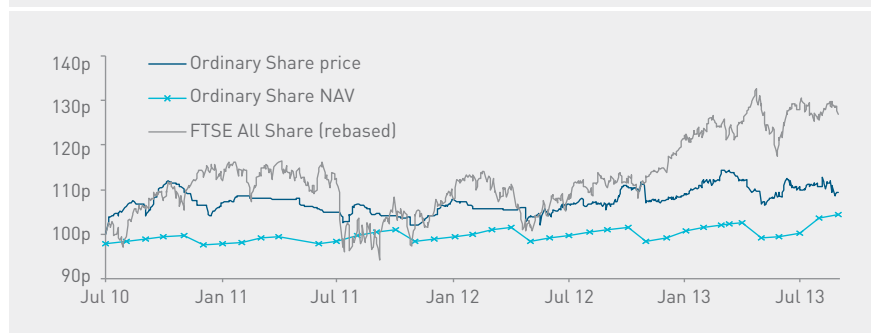
The Company has continued to trade at a premium to NAV, with its shares trading at an average premium of 9.2% to NAV (2012: 5.5%). The share price reached an all-time peak at 114.75 pence in March 2013. The 52-week low of 106.05 pence coincided with the shares going ex-dividend following the May 2013 dividend announcement, as would be expected. The historic share price performance from inception to date is set out below:

7.6p

Dividend

2012 - 7.5p

Share price performance



Investment portfolio

A diversified portfolio of 30 UK infrastructure debt investments with a valuation of £344.1 million.

Portfolio overview

The Group's portfolio has grown from 14 to 30 investments during the year. The valuation of the investment portfolio as at 30 September was £344.1 million.

The weighted average annualised yield was 9.8% and the average expected term was 19.5 years.

Below is a summary of the top ten loans, FM providers and project counterparties by total portfolio exposure.

Loans	
GCP Biomass 1 Ltd	8.9%
GCP Rooftop Solar 4 Ltd	8.9%
GCP Healthcare 1 Ltd	8.9%
GCP RHI Boiler 1 Ltd	7.6%
GCP Rooftop Solar 2 Ltd	5.1%
Grosvenor PFI Holdings Ltd	4.7%
GCP Biomass 1 C Ltd	4.6%
GCP Commercial Solar 1 Ltd	4.3%
GCP Rooftop Solar 1 Ltd	4.2%
T-26 GEM Infrastructure	4.2%

Facilities manager	
A Shade Greener Limited	22.7%
Agrikomp (UK) Ltd	8.9%
Wood Boilers LLP	7.6%
Grosvenor Facilities Management	4.7%
Burmeister & Wain Scandinavian Contractor A/S	4.6%
Smarter Energy Solutions Ltd	4.3%
Pinnacle FM Limited	4.1%
Hoval Limited	3.4%
Chevin Housing Association	3.2%
Mitie PFI Limited	3.0%

Project counterparty	
Ofgem (E.ON Energy Ltd)	22.7%
Ofgem (Power NI)	13.5%
Ofgem	10.9%
Ofgem (Smartest Energy Ltd)	5.8%
Ofgem (Co-op Group)	3.7%
Salford City Council	3.5%
Slough Borough Council	3.3%
Kings College Hospital NHS Foundation Trust	2.7%
The Highland Council	2.6%
NHS Greater Glasgow and Clyde	2.6%

Portfolio analysis

Investment type

The investments are supported by a total of 87 underlying infrastructure assets. 53% of the debt investments are senior loans, 39% subordinated loans and 8% are senior loan guarantees. At the beginning of the year only 28% of the portfolio comprised senior loans; this increase represents the increased exposure to renewables debt where a senior position is commonly held.

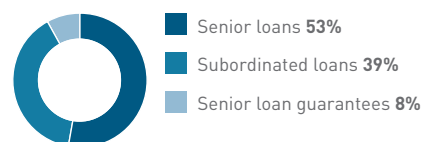
Sector

44% of the underlying infrastructure assets are PFI projects, 23% rooftop solar installations, 15% biomass projects, 9% anaerobic digestion plants and the remaining 9% other renewable energy projects.

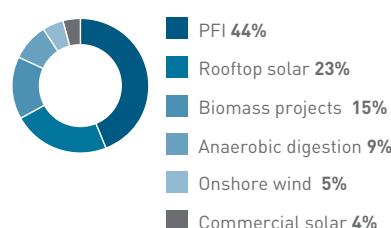
Cash flow

The underlying cash flows that support the Master Fund's investments are 44% unitary charge payments payable under a PFI, 28% FIT cash flows, 17% revenue generated by ROCs and 11% RHI payments.

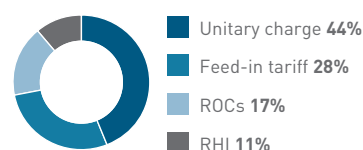
Portfolio by investment type



Portfolio by sector



Portfolio by cash flow type



Investment valuation

The Valuation Agent reviews the discount rates used to value the Master Fund's assets on a monthly basis. The valuation principles used by the Valuation Agent are based on a discounted cash flow methodology. A fair value for each asset acquired by the Master Fund is calculated by applying a discount rate (determined by the Valuation Agent) to the cash flow expected to arise from each asset.

The Valuation Agent determines the discount rate that it believes the market would reasonably apply to each investment taking, inter alia, into account the following significant inputs:

- Sterling interest rates;
- movements of comparable credit markets; and
- observable yield on other comparable instruments.

In addition, the following are also considered as part of the overall valuation process:

- general infrastructure market activity and investor sentiment; and
- changes to the economic, legal, taxation or regulatory environment.

The Valuation Agent utilises the key valuation inputs set out above to determine an appropriate valuation for each investment.

In the year there has been a tightening of yields available on secondary PFI and operational renewables assets, and with this in mind the Valuation Agent decided to revalue certain assets upwards. This has led to a £12.0 million revaluation gain on the Master Fund portfolio. The weighted average discount rate at 30 September 2013 was 9.21%, a decrease of 43 basis points from 30 September 2012 (9.64%).

The valuation is sensitive to changes in discount rates applied. Sensitivity analysis detailing the impact of a change in the discount rates is shown in note 16.3.

Market outlook

Increase in pricing in operational PFI projects but continuing opportunities given lack of long dated lenders to UK infrastructure.

Social and economic infrastructure

The future of UK social and economic infrastructure development is currently under review. The Government's National Infrastructure Plan in November 2011 detailed a pipeline of infrastructure projects that the Government would like to see developed over the next decade, with a capital value of several hundred billion pounds. However, in December 2012 the Government announced that PFI was to be replaced as a procurement mechanism by Private Finance 2. It is expected that PF2 will be substantially based on PFI with some key amendments to improve efficiency, transparency and value for money for the public sector.

However, over the last nine months or so there has been very little evidence of actual procurement processes, resulting in a much more limited pipeline of primary assets than many market participants, particularly the construction industry, had expected.

Although the Master Fund does not target investment in primary assets and is thus relatively unaffected in the short to medium-term, the number of secondary opportunities in the UK market is barely increasing. Given the lack of primary deals coming to market, it also remains to be seen whether UK projects procured under PF2 will be suitable investment opportunities for the Master Fund.

On a more positive note, in December 2013 the Government produced The National Infrastructure Plan 2013, which upgraded the overall value of the pipeline of potential infrastructure investment in the UK to 2020 and beyond to over £375 billion.

The secondary market for social infrastructure assets in the UK continues to be active with a number of portfolios being marketed during the year.

There are, however, an ever increasing number of equity investors seeking exposure to UK infrastructure assets, including listed and unlisted funds as well as pension funds looking for direct exposure to the asset class. Pricing of secondary infrastructure assets has been on the rise over the last twelve months, and the current demand for assets has maintained this upward trend.

The Government's National Infrastructure Plan in November 2011 detailed a pipeline of infrastructure projects that the Government would like to see developed over the next decade, with a capital value of several hundred billion pounds.

Renewable energy infrastructure

Although renewable energy infrastructure is a relatively mature market in terms of projects developed in the UK, particularly in the wind and solar sectors, it is only recently that investors have come to consider it as an attractive asset class in its own right.

The solar sector boom of 2010 prompted the cutting of FIT subsidy payments, a move that stopped the rollout of residential rooftop solar panel by all but a handful of the largest and most efficient installers. However, there continues to be a significant number of ground-mounted sites in construction. The small scale onshore wind market remains busy despite the planning hurdles inherent in any potential development. The wider biomass market, including large and small scale combustion and anaerobic digestion, whilst mature on the continent is relatively new to the UK, and activity is sporadic due to lack of experience of investors, planners and local contractors.

There have been a number of listed funds launched focused on the renewable energy sector, particularly wind and solar. These funds are helping to bring liquidity into the market for medium to large-scale operational wind and solar assets.

Investment pipeline

The Investment Adviser has seen the yields available on many secondary, availability-based PFI transactions fall below levels where they are attractive to the Group. Nevertheless, the Investment Adviser's extensive network of relationships within the sector has resulted in a number of potential off-market transactions that are being negotiated directly with the project owners.

The relative scarcity of senior PFI debt providers has seen the emergence of innovative financing structures designed to attract institutional investors such as pension funds and insurers. These structures typically require some form of subordinated debt investment, and the Investment Adviser is progressing a number of such opportunities.

Developers in a wide variety of renewable energy sectors are still struggling to find long-term lenders, particularly smaller developers. The recent withdrawal from the sector of one of the major bank lenders has accentuated the scarcity of long-dated debt, with a number of transactions that were in an advanced stage of due diligence having been left without finance. This lack of credit has created a number of attractive investment opportunities for the Group in renewable energy projects that are supported by Government subsidies in one form or another.

The asset finance sector remains a significant potential source of deals. Following the cancellation of the Building Schools for the Future programme many schools have struggled to progress planned development, and are instead seeking to lease educational blocks. The Investment Adviser is looking into opportunities to finance such assets.

The Investment Adviser continues to monitor developments with regard to investment opportunities arising under PF2, but does not anticipate completing any such investments in the near term.

Principal risks and uncertainties

Given public-sector backed nature of underlying cash flows, primary risks and uncertainties are operational in nature.

Risk	How the risk is managed
Availability of suitable investments There is no guarantee that there will be substantial demand for loans of the type sought to be made by the Group, or that any such demand will result in sufficient investments being made in a timely manner.	The Group builds an investment pipeline before raising additional finance in order to ensure that capital is deployed in a timely fashion.
Sufficiency of due diligence The Investment Adviser's due diligence may not reveal all the facts relevant in connection with an investment and may not highlight issues that could affect the investments' performance.	In addition to due diligence carried out by the Investment Adviser, third party financial, technical, insurance and legal experts are engaged to advise on specific project risks.
Performance of sub-contractors The performance of the Group's investments is typically, to a considerable degree, dependent on the performance of sub-contractors, most notably facilities managers and operation and maintenance contractors.	The competence and financial strength of contractors, as well as the terms of contractor engagements, is a key focus of investment due diligence. The Investment Adviser monitors the Group's exposure to any given sub-contractor, and ensures that the risk of underperformance is mitigated by diversification.

Risk	How the risk is managed
Counterparty default The Group is reliant on counterparties, typically public sector entities, to fulfil their payment obligations under PFI or renewable energy contracts.	It is the view of the Investment Adviser and the Board that this risk is mitigated by the UK Government's ability to satisfy its obligations through its fiscal independence, and the willingness to do so given the importance of private capital for the funding of new social and economic infrastructure and renewable energy projects.
Borrower default The Group is exposed to the risk of default by borrowers and other counterparties.	The Group ensures that it has full security, either on a senior or subordinated basis, over the assets against which it is lending.
Inflation A prolonged period of high inflation could harm the value of the Company's investments.	Where possible, the Investment Adviser ensures that investments carry an element of inflation protection, often in the form of principal indexation over certain inflation hurdles.
Operational or construction issues The investments which the Group holds are exposed to construction and/or operational risks and may not perform as expected.	The Investment Adviser undertakes extensive due diligence on all projects regarding expected performance (and, where relevant, construction). A full package of insurance and manufacturer guarantees is typically put in place to protect the fund from any unforeseen events. The Master Fund's construction exposure is limited (in aggregate, together with any demand and non-public sector risks) to 25% of its total assets. The Investment Adviser monitors this limit and the status of any project in the construction phase on an ongoing basis.
Rollout of renewable energy projects The capital from certain Master Fund investments is used to fund the rollout of specific renewable energy projects. The return of such investments may be adversely affected should the rollout be slower or smaller than anticipated.	The Investment Adviser conducts a detailed assessment of the robustness of the pipeline of opportunities including a thorough review of the proposed sales and marketing process, the viability of the commercial offering and the pipeline and the operational and commercial competence of the borrower.
AIFMD The Alternative Investment Managers Directive ("AIFMD") came into force in July 2013, with transitional arrangements for a year. This could impact the Company's ability to market in various European jurisdictions, with a consequent impact on share price and liquidity.	Having taken professional advice, the Board believes shareholders' interests would be best served by fully complying with the Directive as if the Company were a UK domiciled fund. Accordingly, it is the Board's intention to appoint Gravis Capital Partners LLP as the AIFM, to appoint a Depositary and to complete the authorisation process by July 2014.

Board of Directors



Ian Reeves CBE, CCMI, FCInstCES, FFB, FRSA, FINSTD
Chairman – 69

Ian Reeves, a UK resident, is a businessman and management consultant. He is the Chairman of Dealpride Ltd, the ultimate holding company of the McGee Group, the civil engineering, building and demolition contractors. Mr Reeves is also chairman of the construction industry best practice group, Constructing Excellence Ltd, and of Synaps Partners LLP, the strategy and business advisors. Furthermore, he is also a member of the advisory board of Oriel Securities Limited, the corporate and institutional stockbroking and advisory firm.

Mr Reeves is visiting Professor of Infrastructure Investment and Construction at Manchester Business School, part of The University of Manchester.

Mr Reeves is a Companion of the Chartered Management Institute, a Fellow of the Chartered Institution of Civil Engineering Surveyors and a Fellow of the Institute of Directors. He is a liveryman of the Worshipful Company of Constructors and a Freeman of the City of London. He was made a Commander of the Most Excellent Order of the British Empire (CBE) in 2003 for his service to business and charity.

Mr Reeves serves as Chairman of the Board of Directors of the Company.



David Pirouet FCA
Non-executive Director – 59

David Pirouet, a Jersey resident, is a qualified accountant. He was an audit and assurance partner for 20 years with PricewaterhouseCoopers CI LLP ("PwC") until he retired in June 2009. He specialised in the financial services sector, in particular in the alternative investment management area. He also led PwC's Channel Islands hedge fund management practice for over four years.

Since retiring from PwC, Mr Pirouet has carried out a four month project for the Chief Minister's Department in the States of Jersey, reporting to the director for International Finance, and he serves on the boards of a number of listed and privately held investment entities. Mr Pirouet is regulated by the JFSC for the provision of services as a non-executive director.

Mr Pirouet has worked in London and Canada as well as the Channel Islands.



Trevor Hunt
Non-executive Director – 60

Trevor Hunt, a Jersey resident, has extensive experience in the offshore financial services fund administration sector. Mr Hunt worked for HSBC for over 30 years in various senior management positions, in particular within the open-ended and closed-ended offshore funds industry. Mr Hunt retired from HSBC in 2003 and spent six years as a director of Capita Financial Administrators (Jersey) Limited and of other Capita entities before leaving in 2009 to join BNP Paribas Securities Services in a senior management role. On 30 September 2011, Mr Hunt left BNP Paribas in order to focus on providing non-executive directorship services to a number of Channel Islands funds and fund management companies.

Mr Hunt is regulated by the JFSC and GFSC for the provision of services as a non-executive director. He is a board member of both the GCP Infrastructure Fund and GCP Infrastructure Investments, and a member of the Jersey Association of Directors and Officers.

Mr Hunt also serves on the A.I.C. Offshore Technical Committee.

The Investment Adviser



Stephen Ellis
Partner – 54

Stephen Ellis has overall responsibility for the provision of investment advice to the Master Fund and the Company.

Stephen graduated from Oxford University in 1980 and after a short service commission with the British Army he spent a 16 year career in investment banking, principally in tax-based finance, securitisation and debt origination. Stephen formed the Investment Adviser in 2008 after five years as a director at DTZ Corporate Finance, where he had responsibility for all UK infrastructure financing, in particular in the healthcare and education sectors.



Rollo Wright
Partner – 37

Rollo Wright is responsible for asset acquisition. He is also responsible for monitoring and reporting on the ongoing performance of the Master Fund.

Having graduated with a degree in Mathematics from Oxford University, Rollo qualified as a Chartered Accountant with Arthur Andersen before moving to the Capital Markets Division of Commerzbank Securities covering a wide variety of pan-European equity and debt transactions. Rollo then spent five years at DTZ Corporate Finance from 2003, where he worked on structuring tax and accounting driven infrastructure debt deals.



Nick Parker
Partner – 43

Nick Parker is responsible for asset sourcing and acquisition. His role involves identifying suitable assets, and carrying out and reporting on acquisition due diligence, including financial modelling and insurance, legal and built asset due diligence.

Nick holds a degree in Economics from Cambridge University. After ten years in investment banking, focused on rate structured products and asset-backed securities, he became a Director of Structured Finance at DTZ where he advised on the financing of long-dated cash flows underlying property and infrastructure assets, particularly in respect of their documentation and hedging.



Ronan Kierans
Partner – 35

Ronan Kierans is responsible for asset sourcing and acquisition. His role involves identifying suitable assets, and carrying out and reporting on acquisition due diligence, including financial modelling and insurance, legal and built asset due diligence.

Ronan qualified as a chartered accountant with KPMG Dublin and subsequently worked in corporate finance with KPMG and DTZ Corporate Finance. At KPMG, Ronan worked on a number of corporate tax and M&A transactions. During his time at DTZ Corporate Finance, Ronan worked in the Fund Structuring team, specialising in the structuring of, and asset acquisition for, European property funds. In 2007, Ronan moved to the Infrastructure team at DTZ, where he primarily worked on healthcare projects.

Directors' report

The Directors are pleased to present their Annual report and the consolidated financial statements for the year ended 30 September 2013. The Corporate governance statement set out on pages 30 to 32 forms part of this report.

These consolidated financial statements consolidate the financial statements of the Company and the Master Fund.

Principal activity and business review

The Strategic report has been prepared by the Directors and should be read in conjunction with the Chairman's statement which forms part of the Annual report to shareholders.

Greenhouse gas emissions reporting

The Group funds renewable energy projects which are seeking to reduce the United Kingdom's greenhouse gas emissions. The Directors do not believe that the Group has produced any material greenhouse gas emissions in the year as it does not occupy any office space and has no employees. The Company does not exercise any control over any of the underlying assets supporting its investments, and so does not consolidate these in its greenhouse gas reporting.

Dividends

The Directors have announced a final dividend of 3.8 pence per Ordinary Share to be paid on 30 December 2013 to ordinary shareholders on the register on 29 November 2013 which, together with the interim dividend of 3.8 pence paid on 27 June 2013, gives a total of 7.6 pence for the year (2012 – 7.5 pence).

Share capital

During the year the Company issued 132,300,000 C Shares of £0.01, all of which were converted into Ordinary Shares on 17 April 2013. Details of the movements in share capital during the year are set out in the consolidated statement of changes in equity on page 40 and in note 14.

On 26 September 2013, the Company announced successful admission of 20,417,633 new Ordinary Shares to the Official List and to trading on the LSE's main market for listed securities following the fundraising of £22 million by the way of a tap issue.

At 30 September 2013 the Company's issued share capital comprised 281,384,013 Ordinary Shares of £0.01, none of which were held in treasury. At general meetings of the Company, every holder shall have one vote in respect of every Ordinary Share or C Share held.

Significant voting rights

As at 30 September 2013, the Company has been notified that the following hold 3% or more of the Company's Ordinary Shares to which voting rights are attached.

Name	Shares held	% of total voting rights
Ferlim Nominees Limited	21,462,142	7.63%
City of Bradford Metropolitan	19,357,919	6.88%
Rathbone Nominees Limited	18,171,264	6.46%
State Street Nominees Limited	17,977,505	6.39%
JM Finn Nominees Limited	16,775,888	5.96%
Nortrust Nominees Limited	16,613,856	5.90%
Cheviot Capital (Nominees) Limited	14,992,498	5.33%
The Bank of New York (Nominees)	14,211,094	5.05%
HSBC Global Custody Nominee (UK)	13,484,721	4.72%
Roy Nominees Limited	13,209,771	4.69%
Vidacos Nominees Limited	12,895,413	4.58%
Smith & Williamson Nominees Limited	10,658,233	3.79%
Brewin Nominees Limited	8,524,758	3.03%

During the period 30 September 2013 to 13 December 2013 the Company did not receive any notifications under chapter 5 of the Disclosure and Transparency Rules.

Directors

The Directors in office as at 30 September 2013 are listed on page 24.

Details as to the Directors' terms of appointment can be found in the Corporate governance statement on pages 30 to 32 and the Remuneration report on pages 28 to 29.

Directors' interests

None of the Directors have a direct or indirect holding in the Company nor have they been granted options to acquire shares in the Company.

None of the Directors or any persons connected with them have had a material interest in the Company's transactions or agreements during the year.

There are no agreements between the Company and its Directors concerning compensation for loss of office.

Directors' and officers' liability insurance and indemnity agreements

The Company has purchased insurance to cover Directors' and officers' liability as permitted by the Law.

The Investment Adviser and Company Secretary

Gravis Capital Partners LLP (the "Investment Adviser"), provides advice to the Directors within the Group to enable them to make informed decisions for the Group's funding requirements (including advice and assistance in any equity/further fund raising process) and also borrowings/gearing requirements.

The Investment Adviser also provides advice which enables the Directors within the Group to identify potential investments, the performance of existing assets and the financial and infrastructure markets generally.

Capita Financial Administrators (Jersey) Limited (the "Company Secretary"), has administrative responsibility for the meetings of the Board and its committees and is responsible for advising the Board on all governance matters. All of the Directors have access to the advice and services of the Company Secretary. Directors may also take independent professional advice at the Company's expense where necessary in the performance of their duties.

The Directors undertake an annual review of the effectiveness of all third-party service providers. Following this review, it is the Directors' opinion that the continuing appointment of the Investment Adviser and the Company Secretary on the terms agreed, is in the best interests of the Company and its shareholders. The remuneration of the Investment Adviser is set out in note 17 to the consolidated financial statements.

Annual general meetings

The Company's Annual report and consolidated financial statements for the year will be tabled for approval at the Company's 2014 AGM. It is anticipated that this AGM will be held on 27 February 2014.

Auditors

Each of the persons who is a director at the date of approval of this annual report confirms that:

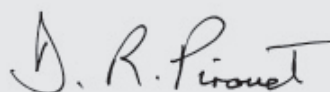
- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's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

Ernst & Young LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming annual general meeting.

Non-mainstream pooled investments

The Board notes the rules of the UK Financial Conduct Authority on the promotion of non-mainstream pooled investments, effective from 1 January 2014. The Board confirms that it conducts the Company's affairs, and intends to continue to conduct its affairs, so that the Company's shares will be "excluded securities" under the FCA's new rules. This is on the basis that the Company, which is resident outside the EEA, would qualify for the approval as an investment trust by the Commissioners for HM Revenue and Customs under sections 1158 and 1159 of the Corporation Tax Act 2010 if resident and listed in the United Kingdom. Therefore, the Company's shares will not amount to non-mainstream pooled investments. Accordingly, promotion of the Company's shares will not be subject to the FCA's restriction on promotion of non-mainstream pooled investments.

By order of the Board



Mr David Pirouet

Director

13 December 2013

Remuneration report

Introduction

The report is made up of two sections; the annual report on remuneration and the policy report. The policy report will be subject to a binding shareholder vote at the 2014 annual general meeting and the policy will take effect for the financial year beginning on 1 October 2014. The annual report on remuneration provides details on remuneration in the year. It will be subject to an advisory shareholder vote at the 2014 annual general meeting.

Although it is not a requirement of the Law to have the Remuneration report approved by shareholders, the Board believes that as a company whose shares are listed on the London Stock Exchange it is important in terms of the Company's corporate governance for it to do so. Accordingly a resolution to approve this Remuneration report will be proposed at the forthcoming annual general meeting.

This report is not subject to audit.

Remuneration committee

The Board comprises solely of non-executive Directors and accordingly the Board as a whole performs the function of the remuneration committee.

Annual report on remuneration

The fees paid to the Directors in the year are set out in the table below:

	2013			2012		
	Director fees (including special service fee) £'000	Audit committee fees £'000	Total £'000	Director fees (including special service fee) £'000	Audit committee fees £'000	Total £'000
Director fees						
Ian Reeves CBE	47	3	50	35	3	38
David Pirouet	37	5	42	25	5	30
Trevor Hunt	37	3	40	25	3	28
Total	121	11	132	85	11	96

During the year each of the Directors named above received special services fees of £5k in respect of the C Share issue. These amounts are included in the above remuneration figures.

Directors' expenses for the year totalled £5k, (30 September 2012: £2k) no other remuneration or compensation was paid or payable by the Company during the year to any of the Directors.

Statement of Directors' shareholding and share interests

None of the Directors have a direct or indirect holding in the Company nor have they been granted options to acquire shares in the Company.

Statement of voting at general meeting

The Company is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to Directors' remuneration, the reasons for any such vote will be sought, and any actions will be detailed here.

The following table sets out actual voting in respect of the approval of the remuneration report:

Number of votes cast for	Percentage of votes cast for	Number of votes cast against	Percentage of votes cast against	Total votes cast	Number of votes withheld
62,985,890	95%	3,080,702	5%	66,066,592	—

Policy report

The Board considers that Directors' fees should reflect the time commitment required and the level of responsibility borne by Directors, and should be broadly comparable to those paid by similar companies. It is not considered appropriate that Directors' remuneration should be linked to individual performance and none of the Directors are eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits in respect of their services as non-executive Directors of the Company.

The basis of the Directors' remuneration which was approved at the Company's 2013 AGM is linked to the net asset value of the Company and each of the Directors' base annual remuneration fee should increase in even steps and at interval points linked to the NAV of the Company, to a maximum of £45,000 (Chairman) and £35,000 (Director) with effect from 1 October 2011.

There are no executive Directors of the Company. The remuneration of non-executive Directors, including the Chairman, is determined by the Board within the limits set by the Companies' Articles of Association. Article 77 places an overall limit of £150,000 per annum in aggregate for Directors' remuneration. The level of remuneration within this ceiling is based on information on fees paid in similar companies and the skills and expected time commitment of the individual concerned.

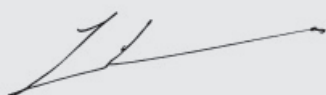
The following table provides a summary of the key elements of the remuneration package for non-executive Directors:

Element	Purpose	Operation
Fees	To compensate the Directors for their time commitment and level of responsibility borne	Reviewed annually and set to be broadly comparable to similar companies, subject to an annual cap in accordance with the articles of association

All non-executive Directors, including the Chairman, serve under letters of appointment and either party can terminate on three month's written notice provided that any such notice shall not expire earlier than the first anniversary of the Director's appointment. Neither the Chairman nor the non-executive Directors have any right to compensation on the early termination of their appointment.

Approval

This report was approved by the Board of Directors on 13 December 2013 and signed on its behalf by:



Ian Reeves CBE
Chairman
13 December 2013

Corporate governance statement

Corporate governance

The principles of good corporate governance set out in the UK Corporate Governance Code (the “Code”), which was updated in September 2012, the Association of Investment Companies (“AIC”) Code of Corporate Governance, which was updated in February 2013, and accompanying Guide (the “AIC Code and Guide”) are adopted by the Company where appropriate. A copy of the Code is available at www.frc.org.uk; a copy of the AIC Code and Guide can be found at www.theaic.co.uk.

The Board recognises the importance of a strong corporate governance culture that meets the Listing Rules of the United Kingdom Listing Authority (“UKLA”). The Board has put in place a framework for corporate governance which it believes is appropriate for the Company. All Directors contribute to Board discussions and debates. The Board believes in providing as much transparency for shareholders as is reasonably possible. It should be noted that most of the Company’s day-to-day responsibilities are delegated to third parties, the Company has no employees and the Directors are non-executive.

Statement of compliance with the AIC Code and Guide

The Board has considered the principles and recommendations of the AIC Code of Corporate Governance by reference to the AIC Corporate Governance Guide for Investment Companies. The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company.

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to shareholders.

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below:

- the role of the chief executive: the Board considers that the post of chief executive officer is not relevant for the Company;
- the appointment of a senior independent Director: the Board considers the merit of a Senior Independent Director to be inappropriate due to the overall size of the Board and the Company;
- executive Directors’ remuneration: as the Board has no executive Directors, it is not required to comply with the principles of the Code in respect of executive Directors’ remuneration and does not have a remuneration committee. A full remuneration report is included on pages 28 to 29;
- establishment of a nomination committee: the Board does not consider it necessary to establish a nomination committee since all of the Directors are non-executive and two of the Directors are considered independent as explained in more detail in the section of this report titled: Composition of the board;
- internal audit function: the Company delegates the majority of its operations to third parties and has no employees. The majority of these third parties have their own internal audit function and the Board has therefore determined that the requirement for the Company to have its own internal audit function is redundant. The Directors consider bi-annually the principal risks relating to the operations of the Company. Such a review requires the consideration of whether the Company’s third parties have sufficient internal controls; and
- establishment of a management engagement committee: the Board does not consider it necessary to establish a management engagement committee since all of the Directors are non-executive and two of the Directors are considered independent. The Board as a whole monitors the performance of the Company’s service providers, either through Board meetings or, if appropriate, through the use of an appropriately constituted committee.

For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company. The Company has therefore not reported further in respect of these provisions.

Composition of the Board

The Board consists of three Directors, all of whom are non-executive Directors. Two of these Directors are independent Directors. Trevor Hunt is not considered an independent Director as he is a member of the Master Fund’s Board of Directors.

Each of the Directors has signed letters of appointment which set out the terms and conditions of their appointment. These letters are available for inspection at the Company’s registered office. No director has any contract or arrangement in place between themselves and the Company. Further details as to the terms of appointment of the Directors are set out in the Remuneration report on pages 28 to 29.

Overview of Board and employees

The Board maintains a policy of nominating the best candidates available as and when a vacancy arises, regardless of gender, ethnic group or background. As at 30 September 2013 the composition of the Board was three men and no women (2012: three men and no women). The Company has no other employees.

Terms of appointment

Article 70 of the Company's Articles of Association require, and the provisions of the UK Corporate Governance Code recommend, that any Director appointed by the Board since the previous AGM submit themselves for appointment at the first AGM of the Company following their appointment.

At each AGM any Director who has been appointed by the Board since the previous AGM and any Director selected to retire by rotation pursuant to Article 71 shall retire from office.

At each AGM one-third of the Directors (excluding any Director who has been appointed by the Board since the previous AGM) or, if their number is not an integral multiple of three, the number nearest to one-third but not exceeding one-third shall retire from office (but so that if there are fewer than three directors who are subject to retirement by rotation under this Article one shall retire).

Any Director who is not required to retire by rotation in accordance with Article 71 but who has been in office for three years or more since his appointment or his last re-appointment or who would (but for the operation of Article 71) have held office at not less than three consecutive AGM's of the Company without retiring shall retire from office.

Independence

The Board has reviewed the independence of each Director and of the Board as a whole and considers the tenure of each Director on an annual basis. In accordance with the AIC Code and Guide, a director is not considered independent should they sit on the board of more than one company which is managed by the same manager. Mr Hunt sits on the board of the Master Fund and is therefore not considered independent. Mr Reeves and Mr Pirouet are considered independent by the Board and Mr Reeves was considered independent upon appointment as Chairman. Mr Hunt's non-independence restricts his ability to vote on candidates when appointing new independent Directors.

Performance of the Board

During the year, the Directors carried out an evaluation of their individual performance and that of the Board as a whole. The evaluation also considered the performance of the Audit Committee and that of the Company Chairman. The results of the evaluation concluded that the Board, the Chairman, the Audit Committee and each of the individual Directors are performing satisfactorily in the areas reviewed, including Board composition and meeting process, board information, training, board dynamics and board accountability and effectiveness. The Board undertakes annual anti-money laundering training and the Jersey resident Directors undertake the required hours of continuing professional development in accordance with their profession and Jersey regulations.

The Board attempts to ensure that it has the appropriate balance of skills, experience, knowledge and independence in order to remain effective. Biographical details of the Directors are shown on page 24.

Board responsibilities

At each quarterly meeting of the Board, the Directors follow a formal agenda which includes a review of the Group's investments and associated matters such as gearing, asset allocation, principal risks, marketing and investor relations and economic and industrial issues. The Board is also active in ensuring any regulatory developments which may affect the operations of the Company are considered. The Board regularly considers the Company's investment objective and strategy. During the year, a strategy day was held at which all of the Directors attended. In order to enable the Directors to discharge their responsibilities effectively, they have full and timely access to all relevant information.

Board operation

The Board holds formal meetings on a quarterly basis and additional ad-hoc meetings are held when necessary. Attendance at the quarterly Board and Audit Committee meetings by the respective members of the Board, are displayed in the table on page 32. The Board has formally adopted a schedule of matters specifically reserved for its consideration and approval. Such matters include:

- setting and approval of the Company's long-term objectives and strategy;
- managing the Company's capital structure;
- approval of loans and borrowing;
- assessing and controlling risk;
- approval of the dividend policy; and
- approval of major changes to the Company's corporate structure.

The schedule of matters reserved for the Board is available on request.

Corporate governance statement continued

Meetings

The number of meetings of the Board and committees held during the year under review and the attendance of individual Directors are shown below:

Director	Quarterly meetings	Other meetings	Audit Committee meetings
Ian Reeves CBE	4	3	0
David Pirouet	5*	6	2
Trevor Hunt	5*	6	2

*The quarterly meeting for Q3 2012 was held in October 2012.

Remuneration, management engagement and nomination committees

The Board has not established a remuneration, management engagement or nomination committee as it considers that the functions of these committees can be more appropriately managed by the Board as a whole under the chairmanship of Mr Reeves.

The Board currently considers its size to be appropriate for the purpose of discharging its responsibilities and therefore does not feel it necessary to formulate a nominations policy at present.

When undertaking the function of a remuneration committee, the Board attempts to ensure that the Directors are rewarded in accordance with their individual performance, the performance of the Company and market trends congruent to that of the Company.

The Directors are all non-executive and the fees for their services are approved by the Board as a whole. Details of the Directors' remuneration are provided in the Remuneration report on pages 28 and 29 and in note 6 to the consolidated financial statements.

Internal controls review

The Directors acknowledge that they have overall responsibility for ensuring that there are in place, systems of internal control, both financial and non-financial, and for reviewing their effectiveness. The purpose of the internal financial controls is to ensure that proper accounting records are maintained, the Company's assets are safeguarded and the financial information used within the business and for publication is accurate and reliable; such a system can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board reviews all financial performance and results notifications together with the Investment Adviser. Non-financial internal controls include the systems of operational and compliance controls maintained by the Administrator and the Investment Adviser in relation to the Company's business as well as the management of key risks as referred to in the Directors' report.

Responsibility for accounting and secretarial services has been contractually delegated to the Administrator.

The Administrator has established its own system of internal controls in relation to these matters, details of which have been reviewed by the Board as part of the bi-annual risk assessment.

Internal control assessment process

The Board conducts a risk assessment on a bi-annual basis. The review covers the operation, compliance and financial risks facing the Group. The Directors confirm that by means of the procedures set out above, and in accordance with the UK Corporate Governance Code and the AIC Code and Guide, they have established a continuing process for identifying, evaluating and managing the significant potential risks faced by the Company and have reviewed the effectiveness of the internal control systems. This process has been in place throughout and subsequent to the accounting year under review.

Dialogue with shareholders

The Company, through its Directors, Company Secretary, Investment Adviser and joint brokers, engages in ongoing communication with its shareholders. The Chairman, and other non-executive Directors, encourage shareholders to attend and vote at general meetings of the Company in order that they may discuss governance and strategy and to understand the shareholders' issues and concerns. The Chairman of the Board and the Audit Committee are made available at general meetings of the Company to answer any questions posed by the shareholders.

The Company's annual and interim results are dispatched to shareholders by mail and are also available to download from the Investment Adviser's website www.gcpuk.com. This information is supplemented by the monthly calculation and publication at the London Stock Exchange of the NAV of the Company's shares.

Audit Committee report

Summary

Revised versions of the Code and the AIC Code and Guide were published in September 2012 and February 2013 respectively with the amended provisions having a specific impact on audit committee reporting. The Board has adopted the provisions set out in the revised Codes.

The Audit Committee operates within clearly defined terms of reference, a copy of which is available on request from the Company Secretary. The terms of reference require the Audit Committee to monitor the Company's financial reporting, internal controls and risk management and external audit processes. The Audit Committee is responsible for making recommendations to the Board in respect of the appointment, reappointment and remuneration of the Auditor. The Audit Committee is also responsible for assessing the independence of the Auditor.

Composition

The Audit Committee's membership is comprised of all the Company's Directors and is chaired by David Pirouet, who is a Chartered Accountant and a former audit partner. The Board considers that the independence, experience and knowledge of each of the Audit Committee members is sufficient for discharging its responsibilities. The Audit Committee meets at least twice a year.

Financial reporting

The Company has in place internal control and risk management systems in relation to the Company's financial reporting process and the Company's process for preparing consolidated accounts. These systems are in place to ensure that adequate accounting records are maintained and transactions are recorded accurately and fairly to permit the preparation of financial statements in accordance with IFRS as adopted in the European Union. The committee reviewed draft annual and interim reports before recommending their publication. The committee discussed with external auditors the significant accounting policies, estimates and judgements applied in preparing these reports.

Activities

During the year, the Audit Committee has conducted a review of the audit and non-audit services provided by the Auditor to the Company and is satisfied that the Auditor has fulfilled its obligations to the Company and its shareholders.

The Audit Committee has also considered the key risks in relation to the consolidated financial statements, being the existence and the valuation of the financial assets owned by the Group. The Company reviews quarterly reports from its Investment Adviser confirming the existence of the financial assets and their valuation after taking account of monthly advice received from the Master Fund's Valuation Agent. The Audit Committee is satisfied that these risks have been addressed satisfactorily and that there were no significant issues raised in relation to the consolidated financial statements.

During the year the Audit Committee discharged its responsibilities by reporting to the Board and undertaking the following:

- reviewing and approving the external Auditors' terms of engagement, remuneration and tenure of appointment. Ernst & Young LLP has been the Company's external Auditors since the Company's incorporation in May 2010 and has been the external Auditors of the Master Fund since its formation in 2009. The position of external Auditor has not been put out to tender
- reviewing the external Auditor's plan for the audit of the Company's consolidated financial statements, including identification of key risks and confirmation of Auditor independence. The Audit Committee of the Company and the Master Fund has met with the external Auditors on a regular basis throughout the audit process to discuss and agree on the audit approach, the key risks, the status of the process, its conclusions and any matters arising from the audit
- an evaluation of the performance of the external Auditor which concluded that the external Auditor was performing satisfactorily in the areas reviewed. As part of the process to discharge its responsibility and to assess the performance and effectiveness of the Auditor, the Audit Committee sought views from the Directors of the Company's subsidiary. The results of this investigation subsequently confirmed the Committee's deliberations on the Auditor's performance. In connection with the non-audit services carried out by the Auditor, these are performed by completely separate teams of the firm ensuring their objectivity and independence from the audit
- reviewing the appropriateness of the Company's accounting policies
- reviewing the Company's draft consolidated annual financial statements and half yearly results statement prior to Board approval
- explaining the significant issues that the Audit Committee considered in relation to the financial statements and how these issues were addressed
- reviewing the external Auditor's detailed report to the committee on the consolidated financial statements
- recommending to the Board and shareholders the re-appointment of the Auditor as the independent auditors of the Company.

Audit Committee report

Auditor remuneration

The table below summarises the fees paid to the external Auditor by the Group during the year:

	The Company		The Master Fund	
	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
Audit fees	19	26	22	20
Other fees	35	40	3	3
Total	54	66	25	23

Approval

On behalf of the Audit Committee



David Pirouet

Chairman of the Audit Committee

13 December 2013

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual report and the consolidated financial statements in accordance with applicable law and regulations.

The Companies (Jersey) Law 1991 requires the Directors to prepare such financial statements for each financial year. Under Article 105 (2) (a) of that law, the Directors are required to prepare the group financial statements in accordance with one of the stated generally accepted accounting principles. The Directors have chosen International Financial Reporting Standards (IFRS) as adopted by the European Union and Article 4 of the IAS Regulation. Under the Law the Directors must not approve the accounts 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, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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 (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the island of Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' responsibility statement

We confirm that to the best of our knowledge:

1. the consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
2. the management report, which is incorporated into the Directors' report, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

For the purposes of the above responsibility statement the information required to be included as set out under 2. above, is presented in the Strategic report and the Directors' report.

By order of the Board



Ian Reeves CBE

Chairman

13 December 2013

Independent auditor's report

To the members of GCP Infrastructure Investments Limited

We have audited the Group financial statements of GCP Infrastructure Investments Limited for the year ended 30 September 2013 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows, and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' responsibilities set out on page 35, the Directors are responsible for the preparation of the Group 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 Group financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 Group'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. In addition, we read all the financial and non-financial information in the annual report and consolidated financial statements 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.

Opinion on financial statements

In our opinion the group financial statements:

- give a true and fair view of the state of the Group's affairs as at 30 September 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Our assessment of risks of material misstatement

We identified the following risks that we believed would have the greatest impact on our overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team:

- valuation of the group's investments;
- existence and ownership of the Group's investments; and
- our application of materiality.

We apply the concept of materiality to the individual account or balance level through our determination of performance materiality, which is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

We determined materiality for the group to be £1.4 million which is approximately 0.5% of total equity. This provided a basis for determining the nature, timing and extent of risk assessment procedures, identifying and assessing the risk of material misstatement and determining the nature, timing and extent of further audit procedures.

On the basis of our risk assessments, together with our assessment of the overall control environment our judgement is that performance materiality was 75% of our materiality, namely £1.1 million. Our objective in adopting this approach was to ensure that detected and undetected audit differences in all accounts did not exceed our materiality level.

We agreed that all audit differences in excess of £0.07 million would be reported to the Audit Committee as well as differences below that threshold that in our view warranted reporting on qualitative grounds.

An overview of the scope of our audit

As the Group comprises two components (being GCP Infrastructure Investments Limited and its subsidiary GCP Infrastructure Fund Limited) both components were subject to a full audit.

The audit of each component was conducted by the same audit team, as the primary accounting and administrative activities are conducted in the same geographical locations and by the same service providers.

Our response to the risks identified above was as follows:

Valuation of investments

With the assistance of our valuation experts we considered the appropriateness of the valuation techniques applied to the investment portfolio and obtained evidence supporting the inputs into the valuation model.

Existence and ownership of investments

We obtained independent confirmation from the custodian of the Group's investments and agreed this to the books and records of the company.

For all new investments entered into during the period we reconciled the key detail (including term, principal and interest rate) in the books and records of the Company to the loan note agreements held by the custodian.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- is otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the Audit Committee which we consider should have been disclosed.

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

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

Under the Listing Rules we are required to review:

- the part of the corporate governance statement relating to the Company's compliance with the nine provisions of the UK corporate governance code specified for our review.



Geraint Davies

for and on behalf of Ernst & Young LLP
Jersey
13 December 2013

Notes:

1. The maintenance and integrity of the Gravis Capital Partners LLP website is the responsibility of its partners; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
2. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Consolidated statement of comprehensive income

For the year ended 30 September 2013

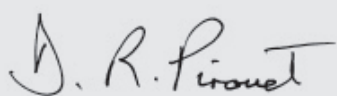
	Notes	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
Income			
Investment income		27,334	8,988
Arrangement fee income		1,420	830
Deposit interest income		447	203
		29,201	10,021
Expense			
Acquisition costs		(978)	(537)
Investment advisory fees	17	(2,230)	(1,150)
C Share issue costs		(2,233)	(1,335)
Operating expenses		(1,713)	(1,067)
		(7,154)	(4,089)
Total operating profit before finance costs		22,047	5,932
Finance costs			
Interest expense	5	(21)	(257)
Distributions to non-controlling interest	15	(2,504)	(1,349)
		(2,525)	(1,606)
Profit for the year		19,522	4,326
Other comprehensive income		—	—
Total comprehensive income		19,522	4,326
Earnings per share (p)	9	10.2188	5.7915

Consolidated statement of financial position

As at 30 September 2013

	Notes	As at 30 September 2013 £'000	As at 30 September 2012 £'000
Assets			
Cash and cash equivalents	13	25,391	9,592
Amounts receivable on subscription of Master Fund shares		1,151	148
Other receivables and prepayments		96	130
Amounts held on security account	12	1,880	2,113
Financial assets at fair value through profit or loss	16	344,142	157,070
Total assets		372,660	169,053
Liabilities			
Amounts payable on redemption of Master Fund shares		(64)	(93)
Other payables and accrued expenses	11	(1,851)	(872)
Amounts held on security account	12	(1,880)	(2,113)
Financial liabilities at fair value through profit or loss	16	(75,249)	(44,203)
Total liabilities		(79,044)	(47,281)
Net assets		293,616	121,772
Capital and reserves			
Share capital	14	2,814	1,206
Share premium	14	287,239	121,638
Other capital reserves		66	19
Retained earnings		3,497	(1,091)
Total capital and reserves		293,616	121,772

Signed and authorised for issue on behalf of the Board of Directors



Mr David Pirouet
Director
13 December 2013



Mr Trevor Hunt
Director
13 December 2013

Consolidated statement of changes in equity

For the year ended 30 September 2013

	Notes	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Total equity £'000
At 1 October 2011		440	43,701	—	(43)	44,098
Profit for the year		—	—	—	4,326	4,326
Equity shares issued	14	766	77,937	—	—	78,703
Transfer to capital redemption reserve		—	—	19	—	19
Dividends	8	—	—	—	(5,374)	(5,374)
At 1 October 2012		1,206	121,638	19	(1,091)	121,772
Profit for the year		—	—	—	19,522	19,522
Equity shares issued	14	1,608	165,601	—	—	167,209
Transfer to capital redemption reserve		—	—	47	—	47
Dividends	8	—	—	—	(14,934)	(14,934)
At 30 September 2013		2,814	287,239	66	3,497	293,616

Consolidated statement of cash flows

For the year ended 30 September 2013

	Notes	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
Cash flows from operating activities			
Total operating profit before finance costs		22,047	5,932
Movement in fair value of financial assets at fair value through profit or loss		(14,697)	(3,139)
Movement in fair value of financial liabilities at fair value through profit or loss		3,192	1,510
Increase in other payables and accrued expenses		1,049	359
Decrease/(increase) in other receivables and prepayments		34	(22)
Net cash flow generated from operating activities		11,625	4,640
Cash flows from investing activities			
Purchase of financial assets		(173,518)	(86,758)
Capital repayments on financial assets		1,144	—
Net cash flow used in investing activities		(172,374)	(86,758)
Cash flows from financing activities			
Proceeds from issue of share capital		166,408	78,612
Distributions paid	8	(14,088)	(5,264)
Payment from non-controlling interest		24,318	9,329
Interest expense		(90)	(187)
Net cash flow generated from financing activities		176,548	82,490
Net increase in cash and cash equivalents		15,799	372
Cash and cash equivalents at beginning of the year		9,592	9,220
Cash and cash equivalents at end of the year	13	25,391	9,592
Non-cash items			
Decrease in amounts held on security account		(233)	(265)
decrease in amounts held on security account payable		236	276
increase in interest held on security account payable		(3)	(11)
		—	—
Non-cash items arising from switching shares			
Issue of share capital and share premium		12,109	15,217
Redemption of non-controlling interests		(12,109)	(15,217)
		—	—
Net cash generated by operating activities includes:			
Deposit interest received		439	196
Investment income received		15,829	8,988
		16,268	9,184

Notes to the consolidated financial statements

For year ended 30 September 2013

1. General information

GCP Infrastructure Investments Limited (the “Company”) is a public company incorporated in Jersey with registration number 105775, on 21 May 2010. The Company is governed by the provisions of the Companies (Jersey) Law, 1991, as amended.

The Company is a closed-ended investment company incorporated under the laws of Jersey. The shares of the Company are listed on the London Stock Exchange.

The Company achieves its investment objectives by investing substantially all of its capital in the Ordinary Redeemable Income Shares of the GCP Infrastructure Fund Limited.

GCP Infrastructure Fund Limited (the “Master Fund”) makes infrastructure investments through acquiring (or acquiring interest in) debt instruments issued by infrastructure project companies (or by their existing lenders or holding vehicles) that are contracted by the public sector to design, finance, build and operate public infrastructure assets. The Master Fund primarily targets projects structured and financed under the UK PFI.

These financial statements consolidate the financial statements of the Company and its subsidiary, the Master Fund (together the “Group”).

2. Significant accounting policies

2.1 Basis of preparation

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) and interpretations issued by the International Financial Reporting Interpretations Committee of the International Accounting Standards Board (“IASB”) as they apply to the financial statements of the Group for the year as required by IFRS and as adopted by the European Union.

The consolidated financial statements have been prepared under the historical-cost convention, as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The consolidated financial statements are presented in Sterling and all values have been rounded to the nearest pound except where otherwise indicated.

These consolidated financial statements consolidate the financial statements of the Company and its subsidiary, the Master Fund, on the basis that it has the power to exercise control over the operations of the Master Fund. All transactions and balances between the Company and the Master Fund have been eliminated on consolidation. The remaining outstanding Ordinary Redeemable Income Shares and Ordinary Redeemable Accumulation Shares of the Master Fund, equate to 19.57% of the total issued Ordinary Redeemable Share capital of the Master Fund and are represented as financial liabilities at fair value through profit or loss within the consolidated statement of financial position. Liabilities arising from the Ordinary Redeemable Income Shares and Ordinary Redeemable Accumulation Shares are carried at the redemption amount being the NAV of the Master Fund calculated in accordance with IFRS at the consolidated statement of financial position date.

From time to time the Company raises new funds through C Share issues which then convert in accordance with the C Share prospectus into Ordinary Shares. When in issue the net assets attributable to the C Share Class are accounted for and managed by the Company as a distinct pool of assets, with the Company ensuring that separate cash accounts are created and maintained. Similarly, C Share cash invested by the Company is managed by the Master Fund as a distinct pool of C Share assets.

Changes to accounting standards and interpretations

The accounting policies adopted are consistent with those of the prior financial year.

The following accounting standards and their amendments were in issue at the year end but will not be in effect until after this financial year. Other than the impact of the IFRS 10 amendments for Investment Entities, these new and amended standards are not expected to significantly impact the presentation of amounts reported in the financial statements.

- IFRS 1 First Time Adoption of International Financial Statements – amendments for government loans with a below-market rate of interest when transitioning to IFRS (effective for annual periods beginning on or after 1 January 2013).
- IFRS 7 Financial Instruments: Disclosures – amendments related to the offsetting of assets and financial liabilities (effective for annual periods beginning on or after 1 January 2013 and interim periods within those periods).

Changes to accounting standards and interpretations continued

- IFRS 7 Financial Instruments: Disclosures – deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective for annual periods beginning on or after 1 January 2015).
- IFRS 9 Financial Instruments – classification and measurement (effective date currently unknown).
- IFRS 10 Consolidated Financial Statements – amendments for investment entities (effective for annual periods beginning on or after 1 January 2014). The Directors will assess any impact that IFRS 10 may have on the Company and the Master Fund in the future. The assessment will be completed in advance of the mandatory application date of the standard.
- IFRS 10 Consolidated Financial Statements (effective for annual periods beginning on or after 1 January 2014).
- IFRS 11 Joint Arrangements (effective for annual periods beginning on or after 1 January 2014).
- IFRS 12 Disclosure of Interests in Other Entities – amendments for investment entities (effective for annual periods beginning on or after 1 January 2014).
- IFRS 12 Disclosure of Interests in Other Entities (effective for annual periods beginning on or after 1 January 2014).
- IFRS 13 Fair Value Measurement (effective for annual periods beginning on or after 1 January 2013).
- IAS 19 Employee Benefits – amended standard resulting from the post-employment benefits and termination benefits projects (effective for annual periods beginning on or after 1 January 2013).
- IAS 27 Separate Financial Statements – amendments for investment entities (effective for annual periods beginning on or after 1 January 2014).
- IAS 27 Separate Financial Statements (as amended in 2011) – previously IAS 27 Consolidated and Separate Financial Statements (effective for annual periods beginning on or after 1 January 2014).
- IAS 28 Investments in Associates and Joint Ventures (as amended in 2011) – previously IAS 28 Investments in Associates (effective for annual periods beginning on or after 1 January 2014).
- IAS 32 Financial Instruments: Presentation – amendments to application guidance on the offsetting of financial assets and financial liabilities (effective for annual periods beginning on or after 1 January 2014).
- IAS 36 Impairment of Assets – amendments arising from “Recoverable Amount Disclosures for Non-Financial Assets” (effective for annual periods beginning on or after 1 January 2014).
- IAS 39 Financial Instruments: Recognition and Measurement – clarity provided on the novation of a hedging derivative (effective for annual periods beginning on or after 1 January 2014).
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (effective for annual periods beginning on or after 1 January 2013).
- IFRIC 21 Levies – provides guidance for when to recognise the liability for a levy imposed by a government (effective for annual periods beginning on or after 1 January 2014).

2.2 Significant accounting judgements and estimates

The preparation of consolidated financial statements in accordance with IFRS requires the Directors of the Company to make judgements, estimates and assumptions that affect the reported amounts recognised in the consolidated financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in the future. For more details, refer to note 16.

Going concern

The Directors have made an assessment of the Group’s ability to continue as a going concern and are satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Group’s ability to continue as a going concern. Therefore, the consolidated financial statements have been prepared on the going concern basis.

Notes to the consolidated financial statements continued

For year ended 30 September 2013

2. Significant accounting policies continued

2.3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

(a) Financial instruments

(i) Classification

The Group classifies its financial assets and financial liabilities into the categories below in accordance with IAS 39.

Financial assets and liabilities at fair value through profit or loss

This category consists of financial instruments designated at fair value through profit or loss upon initial recognition.

These financial assets are designated on the basis that they are part of a group of financial assets which are managed and have their performance evaluated on a fair value basis, in accordance with the risk management and investment strategies of the Company, as set out in the Prospectus dated 2 July 2010 and the C Share Prospectus dated 18 September 2012.

The financial information about the financial assets of the Group is provided by the Investment Adviser to the Directors of the Master Fund with the valuation model being supplied by the Valuation Agent.

In accordance with IAS 32 (Financial Instruments: Presentation) the Company's C Share Class Fund when in existence, is designated as a financial liability on the Group's consolidated statement of financial position, due to the obligation to convert the C Shares to Ordinary Shares and the inherent variability in the number of Ordinary Shares attributable to C Shareholders on conversion.

Ordinary Redeemable Income Shares and Ordinary Redeemable Accumulation Shares of the Master Fund owned by non-controlling interests, equate to 19.57% of the total issued share capital of the Master Fund and are represented as financial liabilities at fair value through profit or loss within the consolidated statements of financial position. Liabilities arising from the Master Fund shares are carried at the redemption amount being the Master Fund NAV calculated in accordance with IFRS.

(ii) Recognition

The Group recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

(iii) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group transfers its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset.

The Group derecognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

(iv) Initial measurement

Financial assets and financial liabilities at fair value through profit or loss are recorded in the consolidated statements of financial position at fair value. All transaction costs for such instruments are recognised directly in the consolidated statement of comprehensive income.

(v) Subsequent measurement

After initial measurement, the Group measures financial instruments which are classified as fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in the consolidated statement of comprehensive income.

The Group's existing financial liabilities at fair value through profit or loss are carried at fair value, being the net asset value on the reporting date of all non-controlling interest shares, in the Master Fund plus set up costs capitalised and unamortised in accordance with the Master Fund's prospectus.

The Group's liability to the C Shareholders is also carried at fair value, being the NAV on the reporting date of the C Share Class Fund. Any profits or losses relating to the C Share Class Fund are expensed as finance costs in the consolidated statement of comprehensive income.

(b) Basis of consolidation

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and distributions are eliminated in full.

(c) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

(d) Determination of fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include using recent arm's length market transactions, referenced to appropriate current market data, and discounted cash flow analysis, at all times making as much use of available and supportable market data as possible.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in note 16.

(e) Functional and presentation currency

The primary objective of the Group is to generate returns in Sterling, its capital-raising currency. The Group's performance is evaluated in Sterling. Therefore, the Directors consider Sterling as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have therefore adopted it as the functional and presentation currency.

(f) Dividends paid to shareholders

In accordance with the Company's constitution, in respect of the Ordinary Shares and C Shares when in issue, the Company will distribute the income it receives to the fullest extent that is deemed appropriate by the Directors.

Notes to the consolidated financial statements continued

For year ended 30 September 2013

2. Significant accounting policies continued

2.3 Summary of significant accounting policies continued

(g) Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position and consolidated statement of cash flow comprise cash on hand, demand deposits, short-term deposits in banks with original maturities of three months or less and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Interest revenue and expense

Interest revenue and interest expense other than interest received on financial assets at fair value through profit or loss are recognised on an accruals basis in the consolidated statement of comprehensive income.

(i) Net movement on financial assets and liabilities at fair value through profit or loss

This item includes changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as 'held at fair value through profit or loss' and interest receivable on financial assets and interest payable on financial liabilities.

Arrangement fee income comprises reimbursement of fees relating to the issue and setup of loan notes by the respective project companies. The income and related expense is recognised in the consolidated statement of comprehensive income upon completion of the relevant deal.

Loan interest comprises interest receipts in relation to the Master Funds debt instruments. Interest is recognised on the effective interest basis.

(j) Fees and commissions

Fees and commissions in the consolidated statement of comprehensive income and the consolidated statement of financial position are recognised on an accruals basis.

(k) Interest expense

Interest expense in the consolidated statement of comprehensive income comprise of loan arrangement and commitment fees and interest accrued on the credit facility incurred in connection with the borrowing of funds by the Master Fund. Interest expense is accounted for on the effective interest basis.

(l) Distributions to non-controlling interests

Distributions are recognised in the consolidated statement of comprehensive income in the period they fall due and are in relation to distributions payable by the Master Fund to the non-controlling interests (classified as financial liabilities at fair value through profit or loss). This is in accordance with the Master Fund's constitution and the Master Fund will distribute the income it receives to the fullest extent that is deemed appropriate. These distributions are paid in May and November.

(m) Share capital

The Directors of the Company continually assess the classification of the Ordinary Shares and C Shares. If the Ordinary Shares cease to have all the features or meet all the conditions set out to be classified as equity, they will be reclassified as financial liabilities and measured at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the C Shares subsequently have all the features and meet the conditions as equity, they will be reclassified as equity instruments and measured at the carrying amount of the liabilities at the date of reclassification.

The issuance, acquisition and resale of Ordinary Shares are accounted for as equity transactions and the issuance and acquisition of C Shares as liability transactions.

Upon issuance of shares, the consideration on the Ordinary Shares received is included in equity and the consideration received on the C Shares is included in financial liabilities.

Transaction costs incurred by the Company in issuing, acquiring or reselling its own equity instruments are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Own equity instruments which are acquired are deducted from equity and accounted for at amounts equal to the consideration paid, including any directly attributable incremental costs.

No gain or loss is recognised in the consolidated statement of comprehensive income on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3. Segment information

For management purposes, the Group is organised into one main operating segment. All of the Group's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

Operating income

The following table analyses the Group's operating income per geographical location. The basis for attributing the operating income is the place of incorporation of the counterparty.

	30 September 2013 £'000	30 September 2012 £'000
Channel Islands	447	203
United Kingdom	28,754	9,818
Total	29,201	10,021

The table below analyses the Group's operating income for the year per investment type.

	30 September 2013 £'000	30 September 2012 £'000
Cash and cash equivalents	447	203
Financial assets and liabilities at fair value through profit or loss	28,754	9,818
Total	29,201	10,021

The table below analyses the operating income derived from the Group's financial assets and liabilities at fair value through profit or loss.

	30 September 2013 £'000	30 September 2012 £'000
Arrangement fee income	1,420	831
Loan interest	15,829	7,358
Movement in fair value of financial assets at fair value through profit or loss	14,697	3,139
Movement in fair value of financial liabilities at fair value through profit or loss	(3,192)	(1,510)
Total	28,754	9,818

4. Auditor's remuneration

	30 September 2013 £'000	30 September 2012 £'000
Audit fees	41	46
Other fees	6	43
Total	47	89

Notes to the consolidated financial statements continued

For year ended 30 September 2013

5. Interest expense

	30 September 2013 £'000	30 September 2012 £'000
Loan arrangement fees	12	93
Loan commitment fees	9	47
Loan interest payable	—	117
Total	21	257

The above fees and interest expense were incurred on the Master Fund's £7 million unsecured revolving credit facility which expired on 11 November 2012. The facility remained undrawn until expiry.

6. Directors' remuneration

The Directors of the Company and Master Fund are remunerated on the following basis.

	30 September 2013 £'000	30 September 2012 £'000
Mr Ian Reeves CBE	50	38
Mr David Pirouet	42	30
Mr Trevor Hunt	40	28
Master Fund Directors' fees	82	69
Directors' expenses	5	2
Master Fund Directors' expenses	1	1
Total	220	168

Full details of the Directors' remuneration policy can be found in the Remuneration report on pages 28 and 29.

7. Taxation

Profits arising in the Group for the year ended 30 September 2013 are subject to tax at the rate of 0% (30 September 2012: 0%).

8. Dividends

Total dividends paid at Company level for the year ended 30 September 2013 totalled 7.60 pence per share (30 September 2012: 6.70 pence per share) as follows:

Payment date	Dividend	Pence	30 September 2013 £'000	30 September 2012 £'000
Current year dividends				
30 December 2013	2013 final dividend	3.80	—	—
27 June 2013	2013 interim dividend	3.80	9,895	—
		7.60		
Prior year dividends				
28 December 2012	2012 final dividend	3.80	5,039	—
29 June 2012	2012 interim dividend	3.70	—	4,054
		7.50		
23 December 2011	2011 final dividend	3.00	—	1,320
Dividends in consolidated statement of changes in equity			14,934	5,374
Dividends settled in shares			(846)	(110)
Dividends in cash flow statement			14,088	5,264

9. Earnings per share

Basic and diluted earnings per share are calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the year.

	Profit £'000	Weighted average number of Ordinary Shares	Pence per share
Year ended 30 September 2013			
Basic and diluted earnings per Ordinary Share	19,522	191,044,696	10.2188
Year ended 30 September 2012			
Basic and diluted earnings per Ordinary Share	4,326	74,699,830	5.7915

10. Business combinations

The consolidated financial statements comprise the financial statements of the Company and its subsidiary, the Master Fund, for the year ended 30 September 2013.

The subsidiary is fully consolidated from the date of acquisition, being the date on which the Group obtained control, and continues to be consolidated until the date when such control ceases. The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and distributions are eliminated in full.

The Company invests in the Master Fund and, in accordance with the Company's investment objective, the investment in the Master Fund will aim to provide its shareholders with regular sustained long-term distributions. The Company will achieve its investment objective by investing substantially all of its capital in the Ordinary Redeemable Income Shares and C Shares of the Master Fund, which in turn will generate income from subordinated PFI debt and/or similar assets.

Acquisition of additional holdings in the subsidiary (the "Master Fund")

On 1 October 2012, the Company held 116,108,227 Master Fund Ordinary Redeemable Income Shares at a fair value of £121,669,811 representing 74.35% of the issued share capital of the Master Fund, with a non-controlling interest share of 25.65% of the issued share capital of the Master Fund.

Notes to the consolidated financial statements continued

For year ended 30 September 2013

10. Business combinations continued

Acquisition of additional holdings in the subsidiary (the "Master Fund") continued

Upon launch of the Master Fund C Share Class on 24 October 2012 the Company bought 129,850k Master Fund C Shares (representing 100%) at a fair value of £129,850k. On the same date the Company converted 11,969,698 Ordinary Shares at a fair value of £12,109k (£1.0116 per Ordinary Share) into Master Fund Ordinary Income Shares. At 31 October 2012 the Company owned 81.74% of the issued share capital of the Master Fund, with a non-controlling interest share of 18.26% of the issued share capital of the Master Fund.

On 29 January 2013, the Company bought an additional 34,430 Ordinary Income Shares at a fair value of £36k, at this point the Company owned 81.77% of the issued share capital of the Master Fund, with a non-controlling interest share of 18.23% of the issued share capital of the Master Fund.

On the 17 April 2013 in accordance with the terms of the supplement to the Master Fund's Information Memorandum Supplement all the C shares of the Master Fund converted to new Ordinary Redeemable Income Shares. The Conversion Ratio for conversion of the C Shares, as calculated in accordance with the Information Memorandum Supplement, was 0.9461. As a result, the C Shares of the Master Fund were cancelled and 122,851,085 Ordinary Redeemable Income Shares and 6,998,915 Deferred Shares were issued.

Following conversion of the C Shares the Company held 250,527,890 Master Fund Ordinary Income Shares at a fair value of £262,339k representing 89.80% of the issued share capital of the Master Fund, with a non-controlling interest share of 10.20% of the issued share capital of the Master Fund.

On 28 June 2013 the Company bought an additional 581,677 Ordinary Income Shares at a fair value of £600k, at this point the Company owned 79.66% of the issued share capital of the Master Fund, with a non-controlling interest share of 20.34% of the issued share capital of the Master Fund.

On the 30 September 2013 the Company bought an additional 20,086,055 Ordinary Income Shares at a fair value of £21,707k at this point the Company owned 80.43% of the issued share capital of the Master Fund, with a non-controlling interest share of 19.57% of the issued share capital of the Master Fund.

Transactions with owners have not resulted in any material fair value gains or losses, therefore no further disclosure has been made.

11. Other payables and accrued expenses

	30 September 2013 £'000	30 September 2012 £'000
Investment advisory fees	1,268	656
Legal and professional fees	275	—
Other expenses	308	216
Total	1,851	872

12. Amounts held on security account

	30 September 2013 £'000	30 September 2012 £'000
Amounts held on security account payable	1,865	2,100
Interest payable on security account	15	13
Total	1,880	2,113

Amounts held on security account relates to a cash deposit of £1,880k (30 September 2012: £2,113k) belonging to GPFI Holdings Limited. The cash is held in a segregated Master Fund account. The Master Fund is holding the cash as collateral to protect the Master Fund against underperformance of the GPFI Loans.

In the event that the GPFI Loans perform as expected the funds within the security account will be released over time, but will remain above £1,000k for as long as the Group owns the GPFI loans.

The amount is held as an asset and a liability on the face of the consolidated statement of financial position.

13. Cash and cash equivalents

	30 September 2013 £'000	30 September 2012 £'000
Cash and cash equivalents	936	189
Master Fund cash and cash equivalents	24,455	9,403
Total	25,391	9,592

14. Authorised and issued share capital

	Number of shares	30 September 2013 £'000
Ordinary Shares issued and fully paid		
At 1 October 2012	120,625,184	1,206
Issued in the year	160,758,829	1,608
At 30 September 2013	281,384,013	2,814

	30 September 2013 £'000	30 September 2012 £'000
Share premium		
Opening balance	121,638	43,701
Issued in the year	165,601	77,937
Closing balance	287,239	121,638

The Company's share capital is represented by Ordinary Shares, in addition to C Shares and Deferred Shares when in issue. Quantitative information about the Company's capital is provided in the consolidated statement of changes in equity.

The Ordinary Shares, and C Shares when in issue, carry the rights to assets attributable to their respective share class and do not carry the rights to assets attributable to the Group as a whole.

The Ordinary Shares and C Shares carry the right to dividends out of the profits available for distribution attributable to each share class, if any, as determined by the Directors. Each holder of an Ordinary Share or C Share is entitled to attend meetings of shareholders and, on a poll, to one vote for each share held.

The Deferred Shares do not carry the right to dividends out of the profits available for distribution or assets attributable to the Group and are in existence for C Share conversion purposes only. As at 30 September 2013 there are no Deferred Shares in issue.

On 17 October 2012, the Company announced the successful issuance of 132,300,000 C Shares following a fundraising of £144.4 million. 11,969,698 Ordinary Shares were subsequently listed on the same date.

On 21 December 2012, the Company issued 213,338 new Ordinary Shares following the offer of scrip dividend alternative for the interim dividend for the period from 1 April 2012 to 30 September 2012.

On 17 April 2013, the C Shares were converted into 127,603,350 new Ordinary Shares. As part of the conversion, 4,696,650 Deferred Shares were issued and subsequently cancelled on 17 May 2013. The reserves movement in respect of the issue and cancellation of the Deferred Shares is shown in other reserves.

On 27 June 2013, the Company issued 554,810 new Ordinary Shares following the offer of scrip dividend alternative for the interim dividend for the period from 1 October 2012 to 31 March 2013.

On 26 September 2013, the Company issued 20,417,633 new Ordinary Shares following the fundraising of £22 million by way of a tap issue.

Notes to the consolidated financial statements continued

For year ended 30 September 2013

15. Non-controlling interest

	30 September 2013 £'000	30 September 2012 £'000
Number of Master Fund redeemable income shares held by the Company	271,195,622	116,108,227
Total number of Master Fund redeemable shares in issue	337,184,271	156,170,095
Percentage of Master Fund held by the Company	80.43%	74.35%
Percentage of the Master Fund held by non-controlling interests	19.57%	25.65%

The Master Fund is an open-ended investment company. The non-controlling interest of the Master Fund is accounted for as a financial liability rather than an equity instrument as the shares are redeemable at the holder's option, based on the Fund's NAV per share at the time of redemption.

As the non-controlling interest is classified as a liability, the distributions paid during the year to the non-controlling interest are classified as finance costs in the consolidated statement of comprehensive income.

	30 September 2013 £'000	30 September 2012 £'000
Distributions in respect of non-controlling interest		
Ordinary Redeemable Income Shares	1,251	863
Distributions in respect of non-controlling interest		
Ordinary Redeemable Accumulation Shares	1,253	486
Total	2,504	1,349

16. Financial instruments

16.1 Capital management

The Group manages its capital to ensure that the Company and the Master Fund will be able to continue as going concerns whilst maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2012.

The Group is wholly funded from equity balances, comprising issued Ordinary Share Capital, retained earnings and non-controlling interests as detailed in notes 14 and 15.

The Master Fund may borrow up to 20% of the Master Fund's NAV as at such time any such borrowings are drawn down.

16.2 Financial risk management objectives

The Company has an investment policy and strategy as summarised in its Prospectus dated 2 July 2010 and C Share Prospectus dated 18 September 2012 that sets out its overall investment strategy and its general risk management philosophy and has established processes to monitor and control these in a timely and accurate manner. These guidelines are the subject of regular operational reviews undertaken by the Investment Adviser to ensure that the Company's policies are adhered to as it is the Investment Adviser's duty to identify and assist in the control of risk. The Investment Adviser reports regularly to the Directors who have ultimate responsibility for the overall risk management approach.

The Investment Adviser and the Directors ensure that all investment activity is performed in accordance with investment guidelines. The Group's investment activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. Risk is inherent in the Group's activities and it is managed through a process of ongoing identification, measurement and monitoring. The financial risks to which the Group is exposed include market risk, interest rate risk, credit risk and liquidity risk.

16.3 Market risk

The Group's portfolio of assets is held at fair value, and their values are monitored on a monthly basis by the Valuation Agent. There is a risk that market movements may decrease the value of the Group's assets without regard to the assets' underlying performance.

The Valuation Agent considers the movements in comparable credit markets and publicly available information around each project in assessing the expected future cash flows from each investment.

The valuation principles used are based on a discounted cash flow methodology. A fair value for each asset acquired by the Group is calculated by applying relevant market discount rate to the contractual cash flow expected to arise from each such asset.

The Valuation Agent determines the discount rate that it believes the market would reasonably apply to each investment taking, inter alia, into account the following significant inputs:

- Sterling interest rates;
- movements of comparable credit markets; and
- observable yield on other comparable instruments.

In addition, the following are also considered as part of the overall valuation process:

- general infrastructure market activity and investor sentiment; and
- changes to the economic, legal, taxation or regulatory environment.

The table below shows how changes in discount rate affect the changes in the valuation of financial assets at fair value:

30 September 2013					
Change in discount rate	0.50%	0.25%	0.00%	(0.25%)	(0.50%)
Valuation of financial assets at fair value (£'000)	333,491	338,718	344,142	349,742	355,554
Change in valuation of financial assets at fair value (£'000)	(10,651)	(5,424)	—	5,600	11,412
30 September 2012					
Change in discount rate	0.50%	0.25%	0.00%	(0.25%)	(0.50%)
Valuation of financial assets at fair value (£'000)	151,338	154,157	157,070	160,084	163,202
Change in valuation of financial assets at fair value (£'000)	(5,732)	(2,913)	—	3,014	6,132

Notes to the consolidated financial statements continued

For year ended 30 September 2013

16. Financial instruments continued

16.4 Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing level of market interest rates on the fair value of financial assets and liabilities, future cash flows and borrowings.

Interest rate risk has the following effect:

Fair value of financial assets and liabilities

Interest rates are one of the factors which the Valuation Agent takes into account when valuing the financial assets. Sensitivity analysis on the discount rate used in the valuations, which will be impacted by the interest rate, is included on page 53.

The Group's financial liabilities are not exposed to interest rate risk as they are not interest bearing.

Future cash flows

The Group primarily invests in senior and subordinated debt instruments of infrastructure project companies. The Group's financial assets have fixed interest rate coupons, albeit with some inflation protection, and as such movements in interest rates will not directly affect the future cash flows payable to the Group.

Interest rate hedging may be carried out to seek to provide protection against falling interest rates in relation to assets that do not have a minimum fixed rate of return acceptable to the Group in line with its investment policy and strategy.

Where the debt instrument is subordinated, the Group is indirectly exposed to the gearing of the infrastructure project companies. The Investment Adviser ensures as part of its due diligence that the project company senior debt has been hedged where appropriate.

Borrowings

The Master Fund's borrowings shall not in any event exceed 20% of the Master Fund's NAV as at the time any such borrowings are drawn down.

Any potential financial impact of movements in interest rates on the cost of borrowings on the Group is mitigated by the short term nature of such borrowings.

16.5 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Group. Credit risk is generally higher when a non-exchange traded financial instrument is involved because the counterparty is not an exchange-clearing house.

The Group is exposed to differing levels of credit risk on all its assets. Per the consolidated statement of financial position, the Group's total exposure to credit risk is £372,660k. On an undiscounted basis, the total exposure to credit risk is £800,085k.

The role and position within an infrastructure project structure of the Group's direct counterparty will vary from deal to deal. However, in most cases it is the credit position of the project company and its group companies that is of ultimate importance.

The Investment Adviser uses detailed cash flow forecasts to assess the credit-worthiness of project companies and their ability to pay all costs as they fall due. After an investment is made, the forecasts are regularly updated with information provided by the project companies in order to monitor ongoing financial performance.

The project companies will receive a significant portion of revenue from government departments and public sector or local authority clients.

The project companies are also reliant on their subcontractors, particularly facilities managers, continuing to perform their service delivery obligations such that revenues are not disrupted. The credit standing of each significant subcontractor is monitored on an ongoing basis, and period end exposures are reported to the Directors of the Master Fund quarterly.

Concentration of credit risk to any project company did not exceed 10% of the Group's portfolio as at year end.

The credit risk associated with each project company is mitigated because the cash flows receivable are secured over the assets of the project company, which in turn has security over the assets of the underlying projects. The debt instruments held by the Group are held at fair value, and the credit risk associated with these investments is one of the factors which the Valuation Agent takes into account when valuing the financial assets. Sensitivity analysis on the discount rate used in the valuations, which will be impacted by credit risk, is included on page 53.

The Directors consider the change in fair value of financial instruments that is attributable to change in credit risk is considered to be insignificant and therefore no sensitivity analysis has been provided in this respect.

16.6 Liquidity risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Group could be required to pay its liabilities or redeem its shares earlier than expected.

The Group is exposed to cash redemptions of shares of the Master Fund, on a regular basis. Shares of the Master Fund are redeemable at the holder's option based on the Fund's NAV per share at the time of redemption, calculated in accordance with the Master Fund's constitution.

The Master Fund manages its obligation to repurchase the shares when required to do so and its overall liquidity risk by requiring a four week notice period before redemptions. The Directors of the Master Fund also have the right to declare a suspension of redemption of shares until sufficient liquidity is available to satisfy redemptions.

The following table analyses all of the Group's financial assets and liabilities into relevant maturity groupings based on the remaining period from 30 September 2013 to the contractual maturity date. The cash flows are on an undiscounted basis.

Ordinary Shares 30 September 2013	Less than one month £'000	One to three months £'000	Three to twelve months £'000	Greater than twelve months £'000	No stated maturity £'000	Total £'000
Financial assets						
Cash and cash equivalents	25,391	—	—	—	—	25,391
Amounts receivable on subscription of Master Fund shares	1,151	—	—	—	—	1,151
Other receivables and prepayments	—	—	96	—	—	96
Amount held on security account	—	—	—	1,880	—	1,880
Financial assets at fair value through profit or loss	7,856	2,329	21,563	739,819	—	771,567
Total financial assets	34,398	2,329	21,659	741,699	—	800,085
Financial liabilities						
Amounts payable on redemption of Master Fund shares	64	—	—	—	—	64
Other payables and accrued expenses	—	1,851	—	—	—	1,851
Amounts held on security account	—	—	—	1,880	—	1,880
Financial liabilities at fair value through profit or loss	—	—	—	—	75,249	75,249
Total financial liabilities	64	1,851	—	1,880	75,249	79,044

Notes to the consolidated financial statements continued

For year ended 30 September 2013

16. Financial instruments continued

16.6 Liquidity risk continued

30 September 2012	Less than one month £'000	One to three months £'000	Three to twelve months £'000	Greater than twelve months £'000	No stated maturity £'000	Total £'000
Financial assets						
Cash and cash equivalents	9,592	—	—	—	—	9,592
Amounts receivable on subscription of Master Fund shares	148	—	—	—	—	148
Other receivables and prepayments	—	—	130	—	—	130
Amount held on security account	—	—	—	2,113	—	2,113
Financial assets at fair value through profit or loss	4,918	1,053	9,442	399,491	—	414,904
Total financial assets	14,658	1,053	9,572	401,604	—	426,887
Financial liabilities						
Amounts payable on redemption of Master Fund shares	93	—	—	—	—	93
Other payables and accrued expenses	—	872	—	—	—	872
Amounts held on security account	—	—	—	2,113	—	2,113
Financial liabilities at fair value through profit or loss	—	—	—	—	44,203	44,203
Total financial liabilities	93	872	—	2,113	44,203	47,281

16.7 Fair values of financial assets and liabilities

The Group's existing financial assets are designated as financial assets at fair value through profit or loss. The Group's existing financial liabilities are designated as financial liabilities at fair value through profit or loss. Both these financial instruments are held at fair value.

Basis of determining fair value

The Valuation Agent carries out monthly fair valuations of the financial assets of the Master Fund. These valuations are reviewed by both the Investment Adviser and the Directors of the Master Fund. The basis for the Valuation Agent's valuations is described in section 16.3.

Fair value measurements

Investments measured and reported at fair value are classified and disclosed in one of the following fair value hierarchy levels depending on whether their fair value is based on:

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

An investment is always categorised as level 1, 2 or 3 in its entirety. In certain cases the fair value measurement for an investment may use a number of different inputs that fall into different levels of the fair value hierarchy. In such cases, an investment level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgement and is specific to the investment.

The table below summarises all securities held by the Group based on the fair valuation technique adopted.

	Fair value hierarchy	30 September 2013 £'000	30 September 2012 £'000
Financial assets at fair value through profit or loss			
Loan notes	Level 2	260,130	157,070
Loan notes	Level 3	84,012	—
Financial liabilities at fair value through profit or loss			
Non-controlling interest	Level 2	75,249	44,203

The Directors have classified the financial instruments as level 2 or level 3 depending on whether or not there is a consistent data set of comparable and observable market transactions. Due to the limited number of comparable and observable market transaction in the biomass sector, the Directors have classified the Group's investments in biomass projects as level 3.

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within level 3 between the beginning and end of the year:

	Loan notes £'000
Opening balance	—
Total gains and losses in profit or loss	1,262
Purchases	82,750
Closing balance	84,012
Total gains and losses for the year included in profit or loss for assets held at the end of the year	1,262

For the Group's financial instruments categorised as level 3, changing the discount rate used to value the underlying instruments alters the fair value. A change in the discount rate used to value the level 3 investments would have the following effect on profit before tax:

Change in discount rate	0.50%	0.25%	0.00%	(0.25%)	(0.50%)
Valuation of financial assets at fair value (£'000)	82,989	83,494	84,012	84,543	85,086
Change in valuation of financial assets at fair value (£'000)	(1,023)	(518)	—	531	1,074

As noted in note 16.3 in determining the discount rate for calculating the fair value of financial assets at fair value through profit or loss, reference is made to sterling interest rates, movements of comparable credit markets and observable yield on comparable instruments. Hence, movements in these factors could give rise to changes in the discount rate.

During the year there were no transfers of investments between levels therefore no further disclosure is considered necessary by the Board of Directors.

Notes to the consolidated financial statements continued

For year ended 30 September 2013

17. Related party disclosures

As defined by IAS 24 Related Party Disclosures, 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.

Subsidiary

GCP Infrastructure Investments Limited as at 30 September 2013 owns a 80.43% (30 September 2012: 74.35%) controlling stake in Master Fund.

During the year, the Company received dividends totalling £15,315k (30 September 2012: £4,349k) from the Master Fund.

Directors

The non-executive Directors of the Company and the Master Fund are considered to be the key management personnel of the Group. Directors' remuneration for the year totalled £220k (30 September 2012: £168k).

Investment Adviser

The Company and the Master Fund are party to Investment Adviser Agreements with the Investment Adviser, dated 3 June 2009, 28 June 2010, and subsequently amended and restated on 20 March 2013, pursuant to which the Company and the Master Fund have appointed the Investment Adviser to provide advisory services relating to the respective assets on a day-to-day basis in accordance with their respective investment objectives and policies, subject to the overall supervision and direction of their respective Boards of Directors.

In February 2013 the Investment Adviser Agreements were reviewed by the Directors and it was agreed that the commitment clause be amended such that whenever the Master Fund is not 85% or greater fully invested a minimum of three key persons from the Investment Adviser dedicate substantially all their working time to providing Investment Advisory Services to the Master Fund.

It was further agreed that the term of the current Investment Adviser Agreement be extended three years from 21 July 2015 to 28 February 2018 with twelve months' written notice thereafter.

The Investment Adviser Agreements were also amended such that the Company and the Master Fund shall now be entitled to terminate the new agreements in the event that there is a "material and demonstrable deterioration in the quality of performance of, or the services provided by, the Investment Adviser". The determination of whether performance issues should lead ultimately to termination rests entirely with the Company and/or the Master Fund.

For its services to the Company, the Investment Adviser receives an annual fee of £20k (30 September 2012: £20k).

For its services to the Master Fund, the Investment Adviser receives an annual fee at the rate of 0.90% of the net asset value of the Master Fund (or such lesser amount as may be demanded by the Investment Adviser at its own absolute discretion) multiplied by the sum of:

- the NAV of the Master Fund; less
- the value of the cash holdings of the Master Fund pro rata to the period for which such cash holdings have been held.

The Investment Adviser is also entitled to claim for expenses arising in relation to the performance of certain duties in respect of the Master Fund.

During the year, the Group expensed £2,105k (30 September 2012: £1,150k) in respect of investment advisory fees and expenses. Transaction fees of £125k were also charged and paid to the Investment Adviser during the year.

The partners of the Investment Adviser also sit on the boards of and control several intermediary investment vehicles which the Group invests in.

The partners of the Investment Adviser hold directly or indirectly, and together with their family members, 960,534 Ordinary Shares in the Company.

Grosvenor PFI Holdings Limited

Whilst not a related party by accounting definition, the owners of Grosvenor PFI Holdings Limited have a 15% non-voting partnership interest in the Investment Adviser. Grosvenor PFI Holdings Limited is a borrower of the Master Fund.

Grosvenor PFI Holdings Limited controls several intermediary investment vehicles in which the Group invests.

18. Reconciliation of net asset value

This note reconciles the NAV per the consolidated financial statements to the adjusted NAV as calculated in accordance with the Prospectus' rules for calculating the NAV for dealing purposes.

Establishment costs are all costs and expenses incurred in relation to the establishment of the Company. In accordance with the NAV calculation prepared in line with the requirements of IFRS, establishment costs are expensed in the period they are incurred.

In accordance with the NAV calculation rules as stipulated in the Master Fund's Information Memorandum, establishment costs are capitalised and subsequently amortised on a straight-line basis over a five year period for the purpose of calculating the NAV per share class for the issuance and redemption of Ordinary Redeemable Income Shares and Ordinary Redeemable Accumulation Shares.

The Company's NAV per Ordinary Share at 30 September 2013 can be reconciled to the NAV per Ordinary Share, as calculated in accordance with IFRS, as follows:

	At 30 September 2013	
	Total £'000	Per share £
Ordinary share class reconciliation		
Valuation in accordance with the Prospectus at 30 September 2013	293,643	1.0435
Adjustment for Master Fund set-up costs	(27)	(0.0001)
Valuation as per consolidated financial statements	293,616	1.0434

The Company's NAV per Ordinary Share at 30 September 2012 can be reconciled to the NAV per Ordinary Share, as calculated in accordance with IFRS, as follows:

	At 30 September 2012	
	Total £'000	Per share £
Ordinary share class reconciliation		
Valuation in accordance with the Prospectus at 28 September 2012	121,779	1.0095
Adjustment for Master Fund set-up costs	(50)	(0.0004)
Adjustment for 30 September 2012 valuation	46	0.0004
Adjustment for 30 September 2012 expense accruals	(2)	—
Valuation as per consolidated financial statements	121,773	1.0095

19. Group contingent liabilities

At 30 September 2013 there were no contingent liabilities (30 September 2012: nil).

Notes to the consolidated financial statements continued

For year ended 30 September 2013

20. Subsequent events after the report date

On 21 October 2013 the Master Fund announced a final dividend for the year of 4.05 pence, which was paid on 15 November 2013.

On 31 October 2013 the Valuation Agent revalued several of the Master Fund's assets. This led to a valuation gain of £1,547k and a fall in the weighted average discount rate from 9.21% to 9.14%.

On 18 November 2013 the Company announced a final dividend for the year of 3.80 pence, to be paid on 30 December 2013.

On 25 November 2013 GCP RHI Boiler 1 Limited repaid the £26 million loan advance to it by the Master Fund in full, on account of lower than anticipated demand for biomass boilers installed on commercial premises.

On 29 November 2013 the Master Fund subscribed for £21.2 million of loan notes with a yield of 9.8% per annum, issued by GCP Onshore Wind 3 Limited. The proceeds were used to make a senior loan secured against a single five-turbine 15MW wind farm to be developed in Northern Ireland.

On 10 December 2013 the Master Fund subscribed for £14.5 million of loan notes with a yield of 9.4% per annum, issued by GCP Biomass 2 Ltd. The proceeds were used to make a senior loan secured against a wood-fuelled power station to be developed in Birmingham.

On 10 December 2013 the Master Fund completed a series of transactions subscribing for an aggregate of £6.5 million of loan notes with a yield of 9.8% per annum, issued by GCP Onshore Wind 2 Ltd. The proceeds are being used to make senior loans secured on a senior-ranking basis against three 500kW single turbine wind sites being developed in Scotland and Wales.

21. Ultimate controlling party

It is the view of the Directors that there is no ultimate controlling party.

Glossary of key terms

Borrower	The entity which issues loan notes to GCP Infrastructure Fund Ltd, usually a special purpose vehicle
The Company	GCP Infrastructure Investments Limited
C Shares	A share class issued by the Company from time to time, Conversion Shares are used to raise new funds without penalising existing shareholders. The funds raised are ring fenced from the rest of the Company until they are substantially invested
FIT	The Feed-in Tariff
FM	Facilities Manager
The Group	The Company and the Master Fund
The Law	The Companies (Jersey) Law 1991
LIFT	Local Improvement Finance Trust
The Master Fund	GCP Infrastructure Fund Limited
NAV	Net asset value
Ordinary Shares	The ordinary share capital of GCP Infrastructure Investments Ltd
PFI	Private Finance Initiative
PF2	Private Finance 2
RHI	The Renewable Heat Incentive
ROCs	Renewable Obligation Certificates
Tap issue	Issue of new equity capital

Advisers and principal service providers

Investment Adviser	Gravis Capital Partners LLP
Custodian	Capita Trust Company (Jersey) Limited
Advisers on Jersey Law	Carey Olsen
Auditors	Ernst & Young LLP
Administrator and Company Secretary	Capita Financial Administrators (Jersey) Limited
Valuation Agent	Mazars LLP



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GP Intersective Limits and Generalised 2013