

Company Registration No. 02681963 (England and Wales)

**READYPOWER RAIL SERVICES LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2022**

# READYPOWER RAIL SERVICES LIMITED

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# READYPOWER RAIL SERVICES LIMITED

## COMPANY INFORMATION

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**Directors**

A Hepburn  
R Jack  
W G Devanney

**Company number**

02681963

**Registered office**

Unit 620 Wharfedale Road  
Winnersh  
Wokingham  
Berkshire  
RG41 5TP

**Independent Auditors**

PricewaterhouseCoopers LLP  
7 More London Riverside  
London  
SE1 2RT

# READYPOWER RAIL SERVICES LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 MARCH 2022

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The directors present the Strategic Report for the year ended 31 March 2022.

#### Review of business

The company delivered solid revenue growth for the year ended 31<sup>st</sup> March 2022, with sales of £42.0 million (2021: £40.7 million), though EBITDA fell to £10.6 million (2021: £13.1 million) and operating profit to £6.6 million (2021: £10.3 million). The company was impacted by the continued turbulence in the market due to reduced passenger numbers and delay to major infrastructure projects following the Covid-19 pandemic; together with the increased cost of supply and fuel due to inflationary pressures within the UK economy.

We were delighted that Angel Trains Limited (Angel Trains) acquired 100% of the share capital of the Readypower Group Limited on the 28<sup>th</sup> January 2022, continuing Angel Trains's commitment to investing in rail assets in the UK. Readypower Rail Services Limited and wider the Readypower Group (Readypower Group Limited and its subsidiaries) will continue to run as an independent business, with its brand and management team remaining in place. Angel Trains brings a wealth of understanding and experience of managing rail assets and will support the Readypower Group's growth by investing in the latest machinery and technology to support critical rail assets, developing sustainable solutions for the future.

The company continued its strategy of investment in capital assets by adding significant capability and more environmentally friendly assets to its fleet during the year, with £5.8 million (2021: £5.8 million) spent on Road Rail Vehicles (RRVs), RRV upgrades and associated equipment and attachments.

Continuing our drive to improve efficiency, provide cost-effective solutions and reduce environmental impact for our customers, the company brought out its first Tier 5 engine, a DX-140 Track-Railer. As at March 2022 45% (2021: 43%) of our RRV fleet has environmentally friendly Tier 4 or 5 engines, with future orders in place to improve this position further. Tier 4 and 5 engines must meet certain emissions standards as set out by the Environmental Protection Agency.

#### Key performance indicators

The company's key financial performance indicators at the year-end were:

	2022	2021
Turnover	£42.0 million	£40.7 million
EBITDA	£10.6 million	£13.1 million
Operating profit	£6.6 million	£10.3 million
Net assets	£28.4 million	£35.5 million
Rail PPS reliability %	99.1%	99.2%

- Turnover is defined as revenue from services provided in the normal course of business;
- Operating profit is defined as turnover less cost of sales and administrative expenses as disclosed in the Statement of Comprehensive Income on page 13;
- EBITDA is defined as operating profit plus depreciation, amortisation and exceptional items;
- Rail PPS reliability % is defined by Network Rail as the percentage of shifts completed over a 26-week period where there were no machine reliability issues. A score greater than 99% is regarded as gold standard.

Management uses EBITDA to assess the underlying performance of the business. During the year, management invested in people, training and property to position the company for future growth.

#### Future developments

The company continues its strategy of looking for new opportunities within the UK regulated infrastructure market, with a focus on rail, to further expand its nationwide presence.



# READYPOWER RAIL SERVICES LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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Health and Safety is fundamental to the company, and we continue to investigate ways that we can improve this for our staff, suppliers and customers.

We firmly believe that despite the uncertain market conditions caused by the Covid-19 pandemic, Ukrainian war and Brexit implications the company is in an extremely strong position with our customer-focused approach, excellent management team, strong infrastructure, well invested asset-base and ongoing investment program to benefit from an upturn in the market as the UK government's investment in infrastructure accelerates; whilst the company has a strong financial position and management team, supported by our new owners, to withstand any potential market fluctuations.

#### **Financial risk management**

Financial risks to the company include:

- **Liquidity risk:** The company monitors operational and financial performance closely and has an extremely strong relationship with our investors. The directors monitor cash flow projections to ensure the company has sufficient funds to meet its working capital requirements and fund its capital investment program.
- **Credit risk:** the Readypower Group has no external bank debt, though has an interest-free inter-company loan unsecured with Angel Trains. The directors monitor cash flow projections closely on a regular basis.
- **Inflationary pressures:** The company has been impacted by the increased cost of fuel and haulage within the UK market together with labour cost increases. The company has responded by absorbing some of the cost increases whilst also reviewing and changing as appropriate our charge-out rates and we continue to monitor rates and costs closely.

#### **Principal risk and uncertainties:**

The principal risks and uncertainties that affect the business include:

- **Customer relationships:** The company maintains strong relationships with each of its key customers and has established credit control parameters. Appropriate credit terms are agreed with all customers and these are closely managed.
- **Contract risk:** The company conducts significant elements of its business under customer contract and framework agreements, which include performance delivery and other specific conditions. The key to the management of contract risk is robust operational procedures and strong customer service, supported by effective contractual, operational, and financial management. Rigorous processes are in place across the company to ensure that operational qualitative and quantitative parameters are met. Main Board approval is required for material contracts and framework agreements.
- **The effect of legislation or other regulatory requirements:** The company operates in a highly regulated environment and takes its duties and responsibilities extremely seriously. Health and Safety and Compliance are at the core of everything the company does.
- **Brexit risk:** Brexit presented limited risk to the company since all operations and the majority of suppliers are UK based though they do in turn source from overseas. We proactively worked with the supply chain to ensure continuity and to date there has been no material impact on our operations. We continue to monitor this area of risk as part of our supply chain management.

#### **Key areas of strategic development and performance of the business include:**

- **Sales and Marketing:** New and replacement business is being won regularly; new markets have been developed in line with the company's strategy of focusing on providing specialist rail infrastructure services and other UK regulated infrastructure services such as power. Customer relationships are key to the business.
- **Capital Investment Program:** The company's capital investment program is to ensure it has the most effective and efficient fleet of Road Rail Vehicles and Specialist Attachments in the UK to support its customers' needs whilst ensuring it maintains the fleet to the highest possible standard.



# READYPOWER RAIL SERVICES LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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- **Facilities:** The company has completed its strategy of having an operational hub in each of the five Network Rail regions and is well positioned to serve its customers. The company will continue to look for new satellite facilities as needed, to further support its customers' needs and geographical expansion.
- **People:** Investment in people is one of the company's key assets. Investing in training and significantly strengthening our management, operational, sales and support staff, will enable the company to fulfil its strategic objectives.
- **System and Processes:** The company has invested in a business transformation project to significantly enhance its service offering and streamline its operations.
- **Competitive advantage:** The company operates in a highly competitive market focusing on areas where it has a competitive advantage. As a result, the company is well positioned for long-term growth.

#### Section 172(1) statement

Section 172(1) of the Companies Act 2006 requires each director in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

Each director, on joining the Board, is made aware of his or her obligations. A clear governance structure is in place which, together with the Group's delegation of authority policy ensures that business decisions are made by the appropriate Groups.

The directors of Readypower Rail Services Limited are also executive directors of the Readypower Group, and therefore the company is managed as part of the Readypower Group Limited group of companies. The key stakeholders of the Readypower Group are:

Stakeholder	Why they are important
Our investors and shareholders	This includes the Readypower Group's new shareholders who are the providers of capital without whom we could not grow and invest for future success
Our people	Our employees play a vital role in delivering the service experience our clients demand
Our clients	Our clients are central to our success and include Network Rail, the principal contractors operating within the UK and several privately owned companies. We are focussed on delivering outstanding customer service to our clients.
Our suppliers and partners	Our suppliers and partners are key to our success and we work closely with them to ensure we have excellent product and services.

The Board is updated monthly on any significant item pertaining to these stakeholder groups.



# READYPOWER RAIL SERVICES LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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The primary purpose of the Board is: to provide strategic oversight to the Group through challenging the Executive team to ensure that the business plans are articulated and executed in a manner consistent with the overall vision of the organisation; and to provide strategies, advice and guidance to help the Executive team to mitigate risks, and to navigate through changes in the business environment in which the organisation operates. The following section summarises how the Directors have fulfilled these duties in accordance with section 172(1):

#### ***Our purpose, strategy and considerations of long-term decision making***

One of the primary focuses of the Board is to ensure the company achieves its purpose and strategy of providing outstanding customer service to our client base, while investing in fleet, people, facilities and systems. At our regular monthly Board meetings, our key considerations include our strategy and how our business should evolve to react to changing market conditions and fulfilling the needs of our client base.

As a result of these deliberations, the Board and directors of Readypower Rail Services Limited have worked with the Group to make a number of group wide strategic moves in the year:

- Angel Trains invested in the Readypower Group providing long-term stability for the Group; and
- The Group purchased 100% of the share capital of the trading group of Readypower Complete Drain Clearance Limited (previously Complete Environmental Services Limited); and
- The Group invested in its first Road Rail Vehicle Tier 5 engine, enhancing our environmental offerings and complementing our current Road Rail Vehicle Tier 4 engines.

#### ***Engagement with employees***

The Group's policy is to consult and discuss with employees, through staff meetings, intranet, social media, TV monitors, toolbox talks and regular departmental meetings, matters likely to affect employees' interests. The directors engage directly with senior managers throughout the business through regular monthly meetings to ensure the supply of information about matters of concern to employees. This information is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Group's performance. Feedback from managers and employees is given directly in these meetings, and employee involvement is encouraged in all areas of the business since achieving common awareness across all employees of the factors that drive the Group's performance plays a key role in its financial results.

Employee engagement and feedback is also vital in assisting the directors in making principal strategic decisions such as hiring of new staff, capital expenditure of new machinery, opening of new facilities, and improving the business' systems and processes.

The health and safety of our employees also remains one of our primary considerations in the way we do business. As instructed by the Board, the Group continues to take measures relating to the Covid-19 pandemic to ensure the safety of all our people working on all our work sites, workshops and in our offices.

#### ***Engaging with our clients and suppliers***

Our customers consist of some of the industry's largest tier 1 contractors. Members of the Board and senior management team regularly engage with our customers to ensure high service levels are always maintained, and they request feedback on areas that can be improved which then drives the Board's decision-making process on investment in machinery and processes, such as the development of the new Superbug RRV as detailed above.

There is no key dependency on any one provider. The Board has ensured the business has put in place a vendor onboarding process, to ensure our suppliers comply with our standards, such as those relating to modern slavery and data protection and as part of our contracting process, we include specific prohibitions outlining our policies and values. Regular engagement with our suppliers is also vital in the development of new technology such as the Superbug RRV and Transporter RRV Personnel Carriers.



# READYPOWER RAIL SERVICES LIMITED

## STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### *Impact on the environment*

The company owns and operates a national fleet of railway construction plant equipment supported by a transport fleet and external haulage. Predominantly these machines use diesel engines. We are very conscious of our environmental footprint and look to engage the most sustainable and environmentally friendly operating model.

The Board holds regular investment program reviews of our fleet with the strategic aim of acquiring the latest and most environmentally friendly engines with efficient operational capability. We actively work with our suppliers to develop new RRVs with higher output which reduces the numbers of machines needed to deliver work, and repurposing older machines to increase their effective useful life. Presently there is not an economically or effective alternative to diesel engines for machines and lorries, however we will continue to explore this with our suppliers and industry bodies as the technology evolves.

The Board's intention is to renew our haulage fleet with the latest technology every 4-5 years. We use trailers with fold down ramps to lessen the drag effect and get better miles per gallon from our fleet.

We provide fully electric cars as an option to our management teams and this will roll out further as the technology develops particularly regarding commercial vehicles. Our offices and workshops use energy efficient lighting, and we have centralised printing, recycling and waste disposal points. We use electronic forms and packs, further reducing paper usage, whilst we monitor and actively try to reduce our electronic footprint.

A Sustainable Group has been set up, drawn from employees throughout the Group, to help enable the Readypower Group to deliver our operations and administration efficiently and effectively through the adoption of sustainable principles and practices. We have achieved gold status at the Supply Chain Sustainability School which requires the Group to be fully engaged within the school by re-assessing and the Group and receiving bespoke action plans, regularly utilising the School's training resources, and sharing knowledge with other members through case studies and public speaking.

### *Engagement with shareholders and investors*

Our principal shareholder and investors are represented on the Board of the Group and are therefore engaged in decision making within the business. They receive monthly financial information and regular updates from the Executive Directors.

On behalf of the board



.....  
R Jack  
Director

Date: 29th July 2022

# READYPOWER RAIL SERVICES LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2022

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The directors present their annual report and audited financial statements for the year ended 31 March 2022.

#### Principal activities

The principal activity of the company is as a specialist rail infrastructure services provider operating in the highly regulated UK rail industry. The company operates from five major operational hubs supported by a number of satellite facilities across the UK. The company provides operated asset hire of Rail Road Vehicles (RRVs) and specialist attachments designed specifically for use on the UK rail infrastructure; and Plant Operating Scheme services to ensure the safe planning of on-track plant and machinery on the UK rail infrastructure.

#### Directors

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

A Hepburn  
R Jack  
W G Devanney

#### Dividends

An interim dividend was paid during the year of £11,563,000 (2021: £nil). The directors do not recommend payment of a final dividend.

#### Stakeholder engagement

The company is required to set out the performance and development of the business of the Group during the year ending 31 March 2022, the position of the Group as at 31 March 2022 and a description of the principal risk and uncertainties facing the Group. By reference to the strategic report the following information is provided: review of the business; environmental reporting; financial risk management; risk management and principal risks; customer, supplier and wider stakeholder engagement where appropriate additional consideration on risks and areas of focus are included here.

A full explanation of how the Board ensures the Group engages fully with its stakeholders can be found in the Section 172(1) statement on pages 5-7.

#### Strategic report

In accordance with the Companies Act 2006, S414c(11), information of business activities, risk and future developments are shown in the strategic report on pages 3-5.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

#### Carbon emissions reporting

During the ended 31 March 2022 we collected data on energy use across all our operations in the UK. The results of this can be found in the Group consolidated financial statements of Readypower Group Limited.



# READYPOWER RAIL SERVICES LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

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

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

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

#### Directors' confirmations

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

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

#### Independent Auditors

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

On behalf of the board



.....  
R Jack  
Director

Date: 29th July 2022

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READYPOWER RAIL SERVICES LIMITED

## Report on the audit of the financial statements

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### Opinion

In our opinion, Readypower Rail Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: statement of financial position as at 31 March 2022; statement of comprehensive income and statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

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

### Independence

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

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

### Reporting on other information

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

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



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READYPOWER RAIL SERVICES LIMITED

## Report on the audit of the financial statements

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

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

### Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 March 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

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

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

### Auditors' responsibilities for the audit of the financial statements

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

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

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

- Discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations (impacting revenue, EBITDA or PPE).
- Challenging assumptions and judgements made by management in their accounting estimates

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READYPOWER RAIL SERVICES LIMITED

## Report on the audit of the financial statements

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There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### Use of this report

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

## Other required reporting

### Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

*Jennifer Hale*

Jennifer Hale (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
29 July 2022



# READYPOWER RAIL SERVICES LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £'000	2021 £'000
Turnover	3	42,005	40,651
Cost of sales		<u>(27,979)</u>	<u>(24,156)</u>
Gross profit		14,026	16,495
Administrative expenses		(7,443)	(6,403)
Other operating income	4	<u>-</u>	<u>212</u>
Operating profit	7	6,583	10,304
Interest receivable and similar income	8	1	1
Interest payable and similar expenses	9	<u>(394)</u>	<u>(401)</u>
Profit before taxation		6,190	9,904
Tax on profit	10	<u>(1,685)</u>	<u>(1,549)</u>
Profit for the financial year		<u>4,505</u>	<u>8,355</u>
Total comprehensive income		<u>4,505</u>	<u>8,355</u>



# READYPOWER RAIL SERVICES LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

Company Registration No. 02681963

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Intangible assets	12	115	112
Tangible assets	13	<u>24,704</u>	<u>22,322</u>
		24,819	22,434
<b>Current assets</b>			
Inventories	14	444	369
Debtors	15	43,027	31,126
Cash at bank and in hand		<u>4,868</u>	<u>625</u>
		48,339	32,120
<b>Creditors: amounts falling due within one year</b>	16	<u>(41,891)</u>	<u>(7,840)</u>
<b>Net current assets</b>		<u>6,448</u>	<u>24,280</u>
<b>Total assets less current liabilities</b>		31,267	46,714
<b>Creditors: amounts falling due after more than one year</b>	17	-	(10,269)
<b>Provisions for liabilities</b>	19	<u>(2,833)</u>	<u>(953)</u>
<b>Net assets</b>		<u><u>28,434</u></u>	<u><u>35,492</u></u>
<b>Capital and reserves</b>			
Called-up share capital	22	-	-
Retained earnings	23	<u>28,434</u>	<u>35,492</u>
<b>Total equity</b>		<u><u>28,434</u></u>	<u><u>35,492</u></u>

The notes on pages 16 to 30 are an integral part of these financial statements.

The financial statements on pages 13 to 30 were approved by the board of directors and authorised for issue on 29 July 2022 and signed on its behalf by:



.....  
W G Devanney  
Director

# READYPOWER RAIL SERVICES LIMITED

## STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED 31 MARCH 2022

	Called-up share capital £'000	Profit and loss reserves £'000	Total equity £'000
Balance at 1 April 2020	-	27,137	27,137
Year ended 31 March 2021:			
Profit and total comprehensive income for the financial year	-	8,355	8,355
Balance at 31 March 2021	-	35,492	35,492
Year ended 31 March 2022:			
Profit and total comprehensive income for the financial year	-	4,505	4,505
Dividends	-	(11,563)	(11,563)
Balance at 31 March 2022	-	28,434	28,434

# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Company information

Readypower Rail Services Limited ("the company") is a private company limited by shares and is registered and incorporated in the United Kingdom. The registered office is Unit 620 Wharfedale Road, Winnersh, Wokingham, Berkshire, RG41 5TP.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

##### Statement of compliance

These financial statements have been prepared in compliance with United Kingdom Accounting Standards including Finance Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

##### Summary of significant accounting policies

The principle accounting policies adopted are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

##### Basis of preparation

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

The financial statements have been prepared on a going concern basis, under the historical cost convention.

##### Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the Group and company has adequate resources to continue in operational existence for the foreseeable future both through its own resources and through the resource and support of the parent company, Angel Trains Limited, and the wider Angel Trains Group of companies. Safe working practices were put in place during 2020 across the industry to ensure any lockdowns arising from any future coronavirus outbreaks will have minimal impact on the group's trading. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.



# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies (Continued)

##### Exemptions for qualifying entities under FRS 102

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

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.
- Section 33 'Related Party Disclosures' – Related party transactions with wholly-owned subsidiaries of the group.

##### Revenue recognition

Revenue shown in the income statement comprises revenue from specialist operated asset hire and Plant Operating Scheme services.

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of value added taxes. The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement; (c) the amount of revenue can be measured reliably; and (d) it is probable that the future economic benefits will flow to the entity.

Revenue from specialist operated asset hire and Plant Operating Scheme services are recognized as services are performed. Services represents short term operated hire or operated plant and equipment and associated services. To the extent that services have been performed, but not yet invoiced accrued revenue is recognised.

##### Government Grants

Government grants are recognised following the accrual model.

Revenue based grants are recognised in income on a systematic basis over the periods in which the related costs for which the grant is intended to compensate. Grants receivable as compensation for expenses or losses already incurred or for the purpose of immediate financial support with no future related costs will be recognised in income in the period in which it becomes receivable.

# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies (Continued)

##### **Intangible fixed assets**

Intangible assets are stated at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Costs associated with maintaining computer software are recognised as expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it is available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	3 - 5 years straight line
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##### **Tangible fixed assets**

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

Costs include the original purchase price and costs directly attributable to bringing the asset to its working condition.

Subsequent costs, including major upgrades, are included in the asset's carrying amount, or recognised as a separate asset, as appropriate, only when it is probably that the economic benefits associated with the item will flow to the company and the cost can be measured reliably. Repairs, maintenance and minor inspection costs are expensed as incurred.

Where major machine upgrades are performed within the business, the costs relating to the upgrades, including parts and labour, are attributed to assets under construction. Once upgrades have been completed, the total upgrade cost is transferred to plant and machinery and depreciated in line with the depreciation policy set out below.



# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies (Continued)

Depreciation is calculated to allocate the depreciable amount to their residual values over their estimated useful lives as follows:

	Straight line
Plant and equipment	
Road rail vehicles	10 years
Machine upgrades	7 years
Plant and equipment including specialist attachments	8 - 10 years
Fixtures and fittings	4 - 10 years
Computers	4 years
Motor vehicles	4 years

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

#### Impairment of fixed assets

At each reporting year end date, the company reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

#### Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and those overheads that have been incurred in bringing the inventories to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### Cash at bank and in hand

Cash at bank and in hand are basic financial instruments and include cash in hand, deposits held at call with banks and bank overdrafts.

# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies (Continued)

##### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade, other debtors, amounts owed to group companies and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Impairment of financial assets**

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

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

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

##### **Derecognition of financial assets**

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

##### **Basic financial liabilities**

Basic financial liabilities, including trade, other creditors and loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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



# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies (Continued)

##### ***Derecognition of financial liabilities***

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

##### ***Classification of financial liabilities***

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

##### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies (Continued)

##### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either assets or liabilities.

##### **Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

##### **Dividends**

Dividends to the Company's parent company are recognised as a liability in the financial statements in the period in which the dividend is approved. These amounts are recognised in the statement of changes in equity.

#### 2 Judgements and key sources of estimation uncertainty

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

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

##### **Critical judgements**

The following are the critical judgements that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

##### **Useful lives of plant and equipment**

The company periodically reviews the useful economic lives. For the current year, the directors have considered the current estimate of useful economic lives to be supportable and reasonable and therefore no material changes have been made during the year. Given the long life of RRVs, there is inherent uncertainty and therefore the directors will continue to review periodically.

##### **Forecasts and discount rates**

As described in the impairment of fixed assets policy above the company reviews the carrying amounts of its fixed assets and in particular plant and equipment. The assessment as to whether there are any indications of impairment of fixed assets are dependent on the estimated future cash flows and the discount rate used to calculate a present value. Using these estimates, the company performs robust cash flow forecasts, which are regularly reviewed by directors.



# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 3 Turnover

The whole of the turnover is attributable to the principal activity of the Company. All turnover arose within the United Kingdom.

#### 4 Other operating income

	2022 £'000	2021 £'000
Coronavirus job retention scheme furlough reclaim	-	205
Research and development tax credit	-	7
	-	212

The research and development tax credit was claimed under the Research and Development Expenditure Credit scheme.

#### 5 Directors' remuneration

Directors of the entity are remunerated through fellow group undertakings. During the year £438,000 (2021: £444,000) of director's salaries were recharged to Readypower Rail Services Limited from fellow group undertakings.

#### 6 Employees

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

	2022 Number	2021 Number
Directors	3	3
Direct staff	185	177
Administration	57	53
	245	233

Their aggregate remuneration comprised:

	2022 £'000	2021 £'000
Wages and salaries	10,484	10,053
Social security costs	1,105	1,050
Other pension costs	217	208
	11,806	11,311



# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 7 Operating profit

	2022	2021
	£'000	£'000
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditors for the audit of the company's financial statements	59	59
Depreciation of owned tangible fixed assets	4,031	3,330
Profit on disposal of tangible fixed assets	(54)	(517)
Amortisation of intangible assets	41	35
Exceptional costs	244	-
Operating lease charges	668	641
Inventory provision	-	(25)

During the year a bad debt charge of £nil (2021: £nil) was recognised within administrative expenses. The exceptional costs incurred during the year consist of £244,000 (2021: £nil) of legal and professional fees relating the purchase of the Readypower Group by Angel Trains Limited. Of the depreciation charge £3,374,000 (2021: £2,666,000) is reported within cost of sales and £657,000 (2021: £663,000) is within administrative expenses.

#### 8 Interest receivable and similar income

	2022	2021
	£'000	£'000
Interest income		
Bank interest received	1	1

#### 9 Interest payable and similar expenses

	2022	2021
	£'000	£'000
Interest on bank overdrafts and loans	394	401

# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 10 Tax on profit

	2022 £'000	2021 £'000
<b>Current tax</b>		
UK corporation tax on profits for the current year	-	1,501
Group relief	(41)	-
Adjustments in respect of prior periods	(154)	(7)
Total current tax	(195)	1,494
	2022 £'000	2021 £'000
<b>Deferred tax</b>		
Origination and reversal of timing differences	1,318	49
Changes in tax rates	363	6
Adjustments in respect of prior periods	199	-
Total deferred tax	1,880	55
Total tax charge	1,685	1,549

The total tax charge for the year included in the statement of comprehensive income can be reconciled to the profit before taxation multiplied by the standard rate of taxation as follows:

	2022 £'000	2021 £'000
Profit before taxation	6,190	9,904
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	1,176	1,882
Tax effect of expenses that are not deductible in determining taxable profit	56	18
Fixed asset timing difference	(354)	-
RDEC Income	-	(1)
Adjustments in respect of prior periods	45	(7)
Effect of change in corporation tax rate	680	6
Group relief surrendered/(claimed)	124	(349)
Receipt for group relief	(42)	-
Total tax charge	1,685	1,549

#### Current and future changes in tax rates

In the Spring Budget 2021, the UK Government announced that the headline UK corporation tax rate would increase from 19% to 25% from 1 April 2023 on profits in excess of £250,000. A small profits rate of 19% will apply to profits of £50,000 or less and for companies with profits in between these amounts there will be a gradual increase in the effective corporation tax rate. As this new law had not been substantively enacted at the balance sheet date current tax is calculated at 19%.



# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 11 Dividends payable

	2022 £'000	2021 £'000
Ordinary shares		
Interim dividend paid	11,563	-

The directors do not recommend payment of a final dividend.

#### 12 Intangible assets

	Software £'000
<b>Cost</b>	
At 1 April 2021	179
Additions	44
At 31 March 2022	223
<b>Accumulated amortisation</b>	
At 1 April 2021	67
Amortisation charged in the year	41
At 31 March 2022	108
<b>Carrying amount</b>	
At 31 March 2022	115
At 31 March 2021	112

Software represents capitalised cost of the new operations system developed during 2019. The system went live on 1 April 2019.

# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 13 Tangible assets

	Assets under construction	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 April 2021	1,138	42,872	1,001	223	3,760	48,994
Additions	3,226	2,580	114	46	469	6,435
Transfers	(3,717)	3,717	-	-	-	-
Disposals	1	(742)	-	(1)	(219)	(961)
At 31 March 2022	648	48,427	1,115	268	4,010	54,468
<b>Accumulated depreciation</b>						
At 1 April 2021	-	23,574	206	107	2,785	26,672
Depreciation charged in year	-	3,374	113	56	488	4,031
Disposals	-	(739)	-	(1)	(199)	(939)
At 31 March 2022	-	26,209	319	162	3,074	29,764
<b>Carrying amount</b>						
At 31 March 2022	648	22,218	796	106	936	24,704
At 31 March 2021	1,138	19,298	795	116	975	22,322

#### 14 Inventories

	2022 £'000	2021 £'000
Parts and consumables	444	369

Inventories are stated after provisions for impairment of £75,000 (2021 : £75,000).

#### 15 Debtors

	2022 £'000	2021 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	5,734	6,831
Amounts owed by group undertakings	33,994	23,684
Other debtors	1,291	109
Corporation tax receivable	1,433	145
Prepayments and accrued income	575	357
	43,027	31,126

The balance owed by the group undertakings is unsecured and interest free. There is no fixed date of repayment and it is repayable on demand.



# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 16 Creditors: amounts falling due within one year

	Note	2022 £'000	2021 £'000
Bank loans and overdrafts	18	-	1,001
Trade creditors		2,178	2,605
Amounts owed to group undertakings		38,185	2,434
Taxation and social security		346	380
Other creditors		136	131
Accruals and deferred income		1,046	1,289
		<u>41,891</u>	<u>7,840</u>

The balance owed to group undertakings includes a loan from The Great Rolling Stock Company Plc of £35,749,000. All amounts owed to group undertakings are unsecured and interest free. There is no fixed date of repayment and it is repayable on demand.

#### 17 Creditors: amounts falling due after more than one year

	Note	2022 £'000	2021 £'000
Bank loans and overdrafts	18	-	10,269

#### 18 Borrowings

	2022 £'000	2021 £'000
Bank loans	-	11,270
Payable within one year	-	1,001
Payable after one year	-	10,269

As part of the purchase of the Readypower Group by Angel Trains Limited, all bank loans within Readypower Rail Services Limited were repaid. The company is currently funded by a loan from The Great Rolling Stock Company Plc of £35,749,000, which is part of the Angel Trains Group of companies.

#### 19 Provisions for liabilities

	Notes	2022 £'000	2021 £'000
Deferred tax liabilities	20	2,833	953

# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 20 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2022 £'000	Liabilities 2021 £'000
<b>Balances:</b>		
Accelerated capital allowances	2,835	958
Short term timing differences	(2)	(5)
	<u>2,833</u>	<u>953</u>

#### 21 Retirement benefit schemes

	2022 £'000	2021 £'000
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>217</u>	<u>208</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions of £38,000 (2021: £35,000) were payable to the fund at the balance sheet date.

#### 22 Called up share capital

	2022 £'000	2021 £'000
<b>Ordinary share capital</b>		
<b>Authorised</b>		
1,000 (2021: 1,000) Ordinary shares of £1 each	<u>1</u>	<u>1</u>
<b>Issued and fully paid</b>		
100 (2021: 100) Ordinary shares of £1 each	<u>-</u>	<u>-</u>

#### 23 Reserves

##### Retained earnings

Retained earnings is made up of cumulative profit and loss net of distributions to owners. As at 31 March 2022 the balance of the profit and loss account is £28,434,000 (2021: £35,492,000).



# READYPOWER RAIL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 24 Operating lease commitments

##### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £'000	2021 £'000
Within one year	577	531
Between one and five years	2,093	2,221
In more than five years	1,742	2,173
	<u>4,412</u>	<u>4,925</u>

Operating lease costs recognised within administrative expenses for the year were £668,000 (2021: £641,000).

#### 25 Contingent liabilities

Following the purchase of the Group by Angel Trains, the company is guarantor in respect of the following group undertakings:

The Great Rolling Stock Company PLC and Angel Trains Group Limited:

£2,102,534,000 (of which £1,669,545,000 remains outstanding) Senior term and revolving credit facilities agreements.

Willow Holdco 1 Limited:

£325,000,000 (of which £325,000,000 has been drawn down) Junior facility agreements.

The Great Rolling Stock Company PLC:

£4,000,000,000 (of which £711,408,000 has been drawn down) Bond programme for the issuance of secured guaranteed notes.

#### 26 Controlling party

Readypower Rail Services Group Limited, a company incorporated in the United Kingdom, is the immediate parent company.

Readypower Group Limited is the smallest and largest group for which consolidated statements including Readypower Rail Services Limited are prepared. Copies of the Readypower Group Limited consolidated financial statements can be obtained from the Company Secretary at Unit 620 Wharfedale Road, Winnersh, Wokingham, Berkshire, RG41 5TP.

The directors consider the ultimate parent undertaking and controlling party to be Willow Topco Limited, a company incorporated in Jersey, by virtue of its majority shareholding in Readypower Group Limited.

