

Company Registration No. 03573817 (England and Wales)

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023**

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

CONTENTS

	Page(s)
Company information	2
Directors' Report	3 - 4
Independent Auditors' Report	5 - 7
Statement of Comprehensive Income	8
Balance Sheet	9
Cash Flow Statement	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 – 30

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

COMPANY INFORMATION

Directors

W G Devanney
R G Jack
D C Matthews
J R Oliver

Company number

03573817

Registered office

Unit 620 Wharfedale Road
Winnersh
Wokingham
Berkshire
RG41 5TP

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their report and audited financial statements for the year ended 31 December 2023.

Principal activities

The principal activity of the company continued to be that of a specialist provider of rail drain clearance services and equipment.

Directors

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

W G Devanney	
R G Jack	
D C Matthews	(appointed 15 May 2023)
J R Oliver	(appointed 15 May 2023)
J M Crossen	(resigned 7 September 2023)
J N Walters	(resigned 17 October 2023)

Results and dividends

The results for the year/period are set out on page 8.

No dividends were paid during the year (9 months ended December 2022: £nil). The directors do not recommend payment of a final dividend.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the 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 financial statements in accordance with UK-adopted international accounting standards.

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 company and of the profit or loss of the company 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 UK-adopted international accounting standards 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 company will continue in business.

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

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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 company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent Auditors

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



.....
R G Jack
Director

Date: 19 April 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Readypower Complete Drain Clearance Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; 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: the balance sheet as at 31 December 2023; the statement of comprehensive income, the statement of changes in equity and the cash flow statement 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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

Report on the audit of the financial statements

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.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities 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 also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. 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 COMPLETE DRAIN CLEARANCE LIMITED

Report on the audit of the financial statements

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. 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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. 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
19 April 2024

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

		Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
	Note		
Turnover	2	3,893	1,989
Cost of sales		<u>(2,056)</u>	<u>(866)</u>
Gross profit		1,837	1,123
Administrative expenses		<u>(542)</u>	<u>(488)</u>
Operating profit	3	1,295	635
Finance income	6	29	18
Finance costs	7	<u>(2)</u>	<u>(2)</u>
Profit before income tax		1,322	651
Income tax expense	8	<u>(338)</u>	<u>(116)</u>
Profit attributable to the owners		<u>984</u>	<u>535</u>
Total comprehensive income		<u>984</u>	<u>535</u>

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

Company Registration No. 03573817

	Note	As at 31 December 2023 £'000	As at 31 December 2022 £'000
Assets			
Non-current assets			
Intangible assets	9	33	-
Property, plant and equipment	10	2,451	1,306
Right-of-use assets	11	14	30
		<u>2,498</u>	<u>1,336</u>
Current assets			
Trade and other receivables	12	140	42
Cash and cash equivalents		1,625	1,810
		<u>1,765</u>	<u>1,852</u>
Total assets		<u>4,263</u>	<u>3,188</u>
Liabilities			
Current liabilities			
Trade and other payables	13	(872)	(966)
Corporation tax payable		-	(128)
Short term lease liabilities	11	(15)	(18)
		<u>(887)</u>	<u>(1,112)</u>
Non-current liabilities			
Provisions for other liabilities and charges	14	-	(88)
Deferred tax liability	15	(534)	(116)
Long term lease liabilities	11	-	(14)
		<u>(534)</u>	<u>(218)</u>
Total Liabilities		<u>(1,421)</u>	<u>(1,330)</u>
Net assets		<u>2,842</u>	<u>1,858</u>
Capital and reserves			
Called-up share capital	17	-	-
Capital redemption reserve		-	-
Retained earnings		2,842	1,858
Total equity		<u>2,842</u>	<u>1,858</u>

The notes on pages 12 to 30 are an integral part of these financial statements.

The financial statements on pages 8 to 30 were approved by the board of directors and authorised for issue on 19 April 2024 and signed on its behalf by:



.....
W G Devanney
Director

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

Company Registration No. 03573817

		Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
	Note		
Cash flows from operating activities			
Cash generated from operations	20	1,452	1,577
Interest received		29	18
Tax paid		(128)	-
Net cash generated from operating activities		1,353	1,595
Cash flows from investing activities			
Purchase of intangible assets		(33)	-
Purchase of property, plant and equipment		(1,492)	(351)
Proceeds on disposal of property, plant and equipment		5	-
Net cash used in investing activities		(1,520)	(351)
Cash flows from financing activities			
Repayment of lease liabilities		(17)	(12)
Repayment of interest on leases		(1)	(2)
Net cash used in financing activities		(18)	(14)
Net (decrease)/increase in cash and cash equivalents		(185)	1,230
Cash and cash equivalents at the beginning of the year/period		1,810	580
Cash and cash equivalents at the end of the year/period		1,625	1,810

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Called-up share capital	Capital redemption reserve	Profit and loss reserves	Total equity
	£'000	£'000	£'000	£'000
Balance at 1 April 2022	-	-	1,323	1,323
Period ended 31 December 2022:				
Profit and total comprehensive income for the financial period	-	-	535	535
Balance at 31 December 2022	-	-	1,858	1,858
Period ended 31 December 2023:				
Profit and total comprehensive income for the financial year	-	-	984	984
Balance at 31 December 2023	-	-	2,842	2,842

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

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

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 accordance with UK-adopted international accounting standards ("IAS") and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

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 thousand pounds sterling.

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

The preparation of financial statements in conformity with IAS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the financial period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the Readypower Group Limited group of companies (the "Group") of which the company is a part of, and the company itself 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 of Readypower Group Limited, and the ultimate parent company, Willow Topco Limited. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Adoption of the new and revised Standards

New and amended IFRS standards that are effective for the current year

At the date of authorisation of these financial statements, the following amended standards were effective for accounting periods beginning on 1 January 2023 but did not have a material impact on the Company's financial statements:

- IFRS 17 - 'Insurance contracts'
- IAS 1 (amendment) - 'Presentation of Financial Statements' - Disclosure of Accounting Policies
- IAS 8 (amendment) - 'Accounting Policies, Changes in Accounting Estimates and Errors'
- IAS 12 (amendment) - 'Income Taxes'

The following standards, amendments and interpretations to existing standards have been issued but are effective for accounting periods beginning after 1 January 2023, and the Company has not early adopted them:

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 Climate-related Disclosures
- IFRS16 (amendments) - Lease liability in a Sale and Leaseback
- IAS1 (amendments) - Classification of Liabilities as Current or Non-Current
- IAS1 (amendments) - Non-current Liabilities with Covenants
- IAS 7 and IFRS 7 (amendments) - Supplier Finance Arrangements
- IAS 21 (amendments) - Lack of Exchangeability
- Amendments to the SASB standards to enhance their international applicability

Critical 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 period. Given the long life of the plant and equipment used by the company, there is inherent uncertainty and therefore the directors will continue to review periodically.

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Critical accounting estimates

The following are the critical estimates 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.

Forecasts and discount rates

As described in the impairment of fixed assets policy below 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.

Incremental borrowing rates

Incremental borrowing rates are used in calculating the discounted lease liabilities with respect to leases on both property and vehicles. Incremental borrowing rates used in these calculations are derived from the Group's rate of borrowing on its loan with The Great Rolling Stock Company PLC, a fellow group company. The weighted average incremental borrowing rate applied to measure lease liabilities during the period was 5.99% for property.

Revenue recognition

Revenue shown in the statement of comprehensive income comprises revenue from specialist operated asset hire.

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 is recognised as services are performed. Services represent 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.

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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	5 years straight line
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Tangible fixed assets

Tangible fixed assets are measured at cost net of accumulated 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 probable 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.

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

Plant and equipment	10 years straight line
Fixtures and fittings	4 years straight line
Office equipment	4 years straight line
Motor vehicles	4 years straight line

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 the statement of comprehensive income.

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Right-of-use assets

The company makes use of leasing arrangements principally for the provision of office and workshop space, and motor vehicles. The rental contracts for offices are typically negotiated for terms of between 5 and 15 years.

At lease commencement date the company recognises a right-of-use asset and a lease liability in its balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, being the present value of all lease payments unpaid at that date, discounted using the company's incremental borrowing rate.

The company depreciates the right-of-use asset on a straight line basis from the lease commencement date to the end of the lease term. The company also assesses the right-of-use asset for impairment when such indicators exist.

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 the statement of comprehensive income.

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.

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.

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include trade and other receivables, 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 the statement of comprehensive income.

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 the statement of comprehensive income.

Trade receivables are recognised at their original amount less an allowance for any doubtful amounts. A provision for impairment of trade receivables is recognised based on lifetime expected credit losses at each reporting date.

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 and other payables, 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.

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.

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

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 the statement of comprehensive income, 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.

Retirement benefits

For defined contribution schemes the amount charged to the statement of comprehensive income 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.

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.

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Turnover

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

3 Operating profit

	Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
Operating profit for the year/period is stated after charging/(crediting):		
Fees payable to the company's auditors for the audit of the company's financial statements	19	26
Depreciation of owned tangible fixed assets	346	83
Depreciation of right-of-use assets	16	12
Gain on disposal of tangible fixed assets	(4)	-

Of the depreciation charge £303,000 (9 months to December 2022: £75,000) is reported within cost of sales and £59,000 (9 months to December 2022: £20,000) is within administrative expenses.

4 Directors' remuneration

Directors of the entity are remunerated through fellow group undertakings. During the period £59,000 (9 months to December 2022: £6,000) of directors' salaries were recharged to Readypower Complete Drain Clearance Limited from fellow group undertakings.

5 Employees

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

	Year ended 31 December 2023 Number	9 months ended 31 December 2022 Number
Directors	1	4
Direct staff	7	1
Administration	3	1
	<u>11</u>	<u>6</u>

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

5 Employees (continued)

Their aggregate remuneration comprised:

	Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
Wages and salaries	774	336
Social security costs	62	9
Other pension costs	18	4
	<u>854</u>	<u>349</u>

6 Finance income

	Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
Bank interest received	29	18

7 Finance costs

	Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
Interest payable for finance leases	1	2
Other interest payable	1	-
	<u>2</u>	<u>2</u>

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Income tax expense

	Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
Current tax		
Group relief	-	137
Adjustments in respect of prior periods	(80)	(1)
Total current tax	<u>(80)</u>	<u>136</u>
Deferred tax		
Origination and reversal of timing differences	337	(20)
Adjustments in respect of prior periods	81	-
Total deferred tax	<u>418</u>	<u>(20)</u>
Total tax charge	<u>338</u>	<u>116</u>

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

	Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
Profit before taxation	<u>1,322</u>	<u>651</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 23.52% (9 months to December 2022: 19.00%)	311	124
Tax effect of expenses that are not deductible in determining taxable profit	5	-
Fixed asset timing difference	-	(2)
Adjustments in respect of prior periods	1	(1)
Effect of change in corporation tax rate	21	(5)
Group relief claimed	-	-
Total tax charge	<u>338</u>	<u>116</u>

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Intangible assets

	Software £'000
Cost	
At 1 January 2023	-
Additions	33
At 31 December 2023	<u>33</u>
Accumulated amortisation	
At 1 January 2023	-
Amortisation charged in the year	-
At 31 December 2023	<u>-</u>
Carrying amount	
At 31 December 2023	<u>33</u>
At 31 December 2022	<u>-</u>

The intangible asset, software, represents capitalised cost of the operations system developed during 2023.

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Property, plant and equipment

	Assets under construction	Plant and equipment	Office equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2022	-	1,687	9	82	1,778
Additions	326	3	22	-	351
At 1 January 2023	326	1,690	31	82	2,129
Additions	1,352	51	-	89	1,492
Transfers	(1,409)	1,409	-	-	-
Disposals	-	(22)	-	-	(22)
At 31 December 2023	269	3,128	31	171	3,599
Accumulated depreciation					
At 1 April 2022	-	683	7	50	740
Depreciation charged in the period	-	76	1	6	83
At 1 January 2023	-	759	8	56	823
Depreciation charged in the year	-	305	10	31	346
Eliminated in respect of disposals	-	(21)	-	-	(21)
At 31 December 2023	-	1,043	18	87	1,148
Carrying amount					
At 31 December 2023	269	2,085	13	84	2,451
At 31 December 2022	326	931	23	26	1,306

Depreciation is calculated using the straight line method to allocate the depreciable amount to their residual values over their estimated useful lives. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Leases

The weighted average incremental borrowing rate applied to measure lease liabilities is 5.99% for property.

The company leases office buildings. Leases are negotiated on an individual basis and contain a wide range of different terms and conditions. Office buildings are leased for fixed periods of between 5 to 15 years, with lease payments being fixed.

The balance sheet shows a separate line item for right-of-use assets, which comprises the following:

	Property £'000
Balance as at 1 January 2023	30
Depreciation	(16)
Balance as at 31 December 2023	<u>14</u>

The balance sheet shows separate line items for short term and long term lease liabilities, which comprise the following:

	As at 31 December 2023 £'000	As at 31 December 2022 £'000
Short term lease liabilities:		
Property	15	18
Long term lease liabilities:		
Property	-	14

The maturity of the contractual undiscounted cash flows is as follows:

	As at 31 December 2023 £'000	As at 31 December 2022 £'000
Less than one year	15	18
One to five years	-	15
	<u>15</u>	<u>33</u>

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Leases (Continued)

Amounts recognised in the statement of comprehensive income under IFRS 16 are as follows:

	Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
Depreciation charge of right-of-use assets	16	12
Interest expense on lease liabilities	1	2
	<u>17</u>	<u>14</u>

12 Trade and other receivables

	As at 31 December 2023 £'000	As at 31 December 2022 £'000
Trade receivables	132	33
Prepayments and accrued income	8	9
	<u>140</u>	<u>42</u>

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.

13 Trade and other payables

	As at 31 December 2023 £'000	As at 31 December 2022 £'000
Trade payables	30	45
Amounts owed to group undertakings	449	693
Other taxation and social security	98	63
Other payables	17	-
Accruals and deferred income	278	165
	<u>872</u>	<u>966</u>

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Trade and other payables (Continued)

The following tables detail the remaining undiscounted contractual maturities for financial liabilities.

	Within one year £'000	One to five years £'000	Total £'000
As at 31 December 2023			
Trade payables	30	-	30
Amounts owed to group undertakings	449	-	449
Lease liabilities	15	-	15
	<u>494</u>	<u>-</u>	<u>494</u>

	Within one year £'000	One to five years £'000	Total £'000
As at 31 December 2022			
Trade payables	45	-	45
Amounts owed to group undertakings	693	-	693
Lease liabilities	18	15	33
	<u>756</u>	<u>15</u>	<u>771</u>

14 Provisions for other liabilities and charges

	As at 31 December 2023 £'000	As at 31 December 2022 £'000
Opening balance	88	-
(Credited)/charged to the statement of comprehensive income in the year/period	<u>(88)</u>	<u>88</u>
Closing balance	<u>-</u>	<u>88</u>

Provisions for liabilities and charges is made up of an accrual for a long term incentive plan.

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Deferred tax liability

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

	Liabilities As at 31 December 2023 £'000	Liabilities As at 31 December 2022 £'000
Balances:		
Accelerated capital allowances	533	138
Short term timing differences	1	(22)
	<u>534</u>	<u>116</u>

The following are the major deferred tax assets and liabilities recognised by the company, and the movement thereon, during the current and prior periods.

	Accelerated capital allowances £'000	Short term timing differences £'000	Total £'000
At 1 April 2022	136	-	136
Charge/(credit) to the statement of comprehensive income for the period	2	(22)	(20)
At 1 January 2023	138	(22)	116
Charge to the statement of comprehensive income for the year	395	23	418
At 31 December 2023	<u>533</u>	<u>1</u>	<u>534</u>

16 Retirement benefit schemes

	Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
Defined contribution schemes		
Charge to the statement of comprehensive income in respect of defined contributic	<u>18</u>	<u>4</u>

17 Called-up share capital

	As at 31 December 2023 £'000	As at 31 December 2022 £'000
Ordinary share capital		
Issued and fully paid		
80 (2022: 80) Ordinary shares of £1 each	<u>-</u>	<u>-</u>

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Financial instruments

Numerical financial instrument disclosures are set out below.

In accordance with IFRS 9, "Financial instruments", management has reviewed contracts for embedded derivatives that are required to be separately accounted for if they do not meet certain requirements set out in the standard. No such embedded derivatives were found.

	As at 31 December 2023	As at 31 December 2023	As at 31 December 2022	As at 31 December 2022
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Fair value of current financial assets and liabilities				
Financial assets held at amortised cost:				
Trade and other receivables	132	132	33	33
Cash and cash equivalents	1,625	1,625	1,810	1,810
Other financial liabilities:				
Trade and other payables	872	872	966	966

The fair values are based on book values as due to the short term nature of trade and other receivables and trade and other payables the directors consider that there is no material difference between the book value and the fair value.

19 Contingent liabilities

The company is guarantor in respect of the following group undertakings:

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

Senior term and revolving credit facilities agreements of £2,447,558,000, of which £1,742,558,000 remains outstanding (2022: £2,073,044,000, of which £1,723,044,000 remained outstanding).

Willow Holdco 1 Limited:

Junior facility agreements of £266,000,000, of which £266,000,000 has been drawn down (2022: £325,000,000, of which £325,000,000 was drawn down).

The Great Rolling Stock Company PLC:

Bond programme for the issuance of secured guaranteed notes of £4,000,000,000, of which £607,200,000 has been drawn down (2022: £4,000,000,000, of which £665,416,000 was drawn down).

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Cash generated from operations

	Year ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
Operating profit	1,295	635
Adjustments for:		
Gain on disposal of property, plant and equipment	(4)	-
Depreciation of property, plant and equipment	346	83
Depreciation of right-of-use assets	16	12
(Decrease)/increase in provisions	(88)	88
Changes in working capital:		
(Increase)/decrease in trade and other receivables	(98)	81
(Decrease)/increase in trade and other payables	(15)	678
Cash generated from operations	<u>1,452</u>	<u>1,577</u>

21 Capital management

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders. The capital structure of the company consists of cash and cash equivalents, share capital as disclosed in note 17 and retained earnings.

22 Related party transactions

During the year/period, the Company had the following transactions with related parties:

31 December 2023

	Income/ Interest received £'000	Purchases/ Interest paid £'000	Amounts owed by related parties £'000	Amounts owed to related parties £'000
Parent	-	(86)	-	(124)
Fellow subsidiaries	1,584	(230)	-	(325)
	<u>1,584</u>	<u>(316)</u>	<u>-</u>	<u>(449)</u>

READYPOWER COMPLETE DRAIN CLEARANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Related party transactions (continued)

31 December 2022

	Income/ Interest received £'000	Purchases/ Interest paid £'000	Amounts owed by related parties £'000	Amounts owed to related parties £'000
Parent	-	(6)	-	(38)
Fellow subsidiaries	242	(56)	-	(655)
	<u>242</u>	<u>(62)</u>	<u>-</u>	<u>(693)</u>

Amounts owed to fellow group undertakings are unsecured, repayable on demand and conducted under business like market conditions.

23 Controlling party

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

The smallest group of undertakings to consolidate these financial statements is Angel Trains Group Limited with its registered office at 27 Hill Street, St Helier, JE2 4UA, Jersey.

The company's ultimate holding company, ultimate controlling party and the parent of the largest group into which the company is consolidated is Willow Topco Limited which is incorporated in Jersey. The registered office is 27 Hill Street, St Helier, JE2 4UA, Jersey.