

Registered number: 06389060

**CENTRAL BLACKPOOL PCC  
HOLDING COMPANY LIMITED**

**ANNUAL REPORT  
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2021**



**CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

**COMPANY INFORMATION**

<b>DIRECTORS</b>	R I Barnett M G D Holden A V Thorne C M D Gill D A J Foot (resigned 29 March 2022)
<b>COMPANY SECRETARY</b>	J Cheadle
<b>REGISTERED NUMBER</b>	06389060
<b>REGISTERED OFFICE</b>	10 St. Giles Square London United Kingdom WC2H 8AP
<b>INDEPENDENT AUDITOR</b>	Deloitte LLP Statutory Auditor London United Kingdom
<b>BANKERS</b>	Royal Bank of Scotland

**CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

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# CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors of Central Blackpool PCC Holding Company Limited ("the company") present their annual report and the financial statements for the year ended 31 December 2021. This directors' report has been prepared in accordance with the special provisions relating to small companies under Part 15 of the Companies Act 2006. No Strategic report has been prepared, in accordance with the provisions applicable to companies entitled to the small companies' exemption.

### **Business review and Principal activity**

The company is a wholly-owned subsidiary of Redwood Partnership Ventures 2 Limited ("RPV2").

The company acts as the holding company of a single subsidiary, Central Blackpool PCC Limited ("CBPL"), together referred to as "the group". CBPL's principal activity is to operate a walk-in health centre at the Whitegate Health Centre, Blackpool for NHS Property Services Limited under the UK Government's Private Finance Initiative. The company is now fully operational.

### **Results**

The company had no income or expenditure during the year (2020: £nil).

### **Financial risk management**

In view of the fact that the company has no trade and owes, and is owed, equal amounts of loans on identical terms, the directors do not consider that it is exposed to any financial risks. However, CBPL is exposed to credit risk, interest rate risk, cash flow risk, inflation risk and liquidity risk.

#### ***Credit risk***

CBPL's credit risk is attributable to its unitary charge income from its sole customer, NHS Property Services Limited. As this is a quasi-governmental organisation, the credit risk and associated cash flow risk are not considered significant.

#### ***Interest rate risk***

CBPL's bank loan bears interest at a rate that fluctuates with the money market. CBPL mitigates the risk of an increased interest rate by the use of swap agreements to convert the floating interest rate to a fixed rate.

#### ***Cash flow risk***

CBPL's activities expose it primarily to the financial risks of changes in interest rates. CBPL uses interest rate swap contracts to hedge these exposures. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

#### ***Inflation risk***

CBPL is exposed to inflation risk due to contractual obligations to its suppliers. CBPL mitigates this by using an RPI swap and linking an element of the unitary charge to inflation.

#### ***Liquidity risk***

CBPL maintains a rolling cash flow forecast based on the bank-approved financial model, which is regularly updated to reflect actual cash movements and any projected changes. This forecast is used to monitor the CBPL's ability to meet its future cash commitments and ensure compliance with the bank covenants.

### **Going concern**

The Directors have assessed the liquidity and forecast covenant compliances for a period of at least twelve months from date of approval of the financial statements. These forecasts include the ability of the Group to meet all loan and interest repayments and other liabilities as they fall due.

During the year, the Covid-19 pandemic continued to have a negative impact on the economy as a whole. However, with Covid-19 related restrictions easing through the start of 2022 and expected to ease further, this impact is forecast to reduce. The Directors have considered the potential impact of Covid-19 when making this assessment.

## **CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **Going concern (continued)**

The Group meets its day to day working capital requirements through cash generated through CBPL, which in turn meets its own working capital requirements through unitary charge receipts from the Trust. As a result of market uncertainty due to the economic environment and the Covid-19 virus epidemic, the following is a potential risk to the company:

- the ability of key sub-contractors to continue to meet their contractual commitments.

The Directors have further assessed the ability of key sub-contractors to continue to meet their contractual commitments including the unlikely event of a sub-contractor failure. To date, the Covid-19 virus epidemic has not resulted in any adverse impact on the services provided by the sub-contractor. In making their assessment, the Directors have tested various stress scenarios which show that, even in the unlikely event of a sub-contractor failure, the Group can continue to meet loan covenants and other liabilities as they fall due (including covenant compliance and the funding of reserves) in the next twelve months. The principal loan covenants are historic and forecast financial ratios.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### **Share capital**

Issued share capital at the year end was £20,000 (2020: £20,000).

#### **Directors**

The directors who served during the year and up to the date of signing were:

R I Barnett  
M G D Holden  
A V Thorne  
C M D Gill  
D A J Foot (resigned 29 March 2022)

Qualifying third party indemnity provisions are currently in force for the benefit of certain directors.

#### **Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**Auditor**

Under section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 04 May 2022

and signed on its behalf.

A handwritten signature in black ink, appearing to read 'J Cheadle', with a stylized flourish at the end.

J Cheadle  
Secretary

## **CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice ( United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of Central Blackpool PCC Holding Company Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of financial position;
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Conclusions relating to going concern**

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.

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.

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



## **CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED (CONTINUED)**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

## **CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED (CONTINUED)**

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)**

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

#### **Report on other legal and regulatory requirements**

##### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

##### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

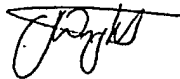
We have nothing to report in respect of these matters.

**CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL BLACKPOOL PCC HOLDING  
COMPANY LIMITED (CONTINUED)**

**Use of this report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Wright FCA (Senior Statutory Auditor)

for and on behalf of

Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
4 May 2022

**CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Income from shares in group undertakings		-	-
Finance income		-	-
Finance costs		-	-
<b>Result before tax</b>		-	-
Tax on result	6	-	-
<b>Result for the financial year</b>		<u>-</u>	<u>-</u>

The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

The Company had no other recognised gains or losses for the current year. Accordingly, no statement of total comprehensive income is required.

**CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	7	20,000	20,000
		<u>20,000</u>	<u>20,000</u>
<b>Total assets less current liabilities</b>		20,000	20,000
<b>Net assets</b>		<u>20,000</u>	<u>20,000</u>
<b>Equity</b>			
Called up share capital	8	20,000	20,000
<b>Equity attributable to the owners of the company</b>		<u>20,000</u>	<u>20,000</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

*A V Thorne*

**A V Thorne**  
Director

Date: 04 May 2022

The notes on pages 11 to 18 form part of these financial statements.

# CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 1. General information

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

#### Basis of accounting

The company is incorporated in the United Kingdom under the Companies Act 2006, registered in England and is a private company limited by shares. The address of the registered office is given on the company information page. The nature of the company's operations and its principal activities are set out in the business review on page 1. The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2021 the company continued to adopt accounting framework Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101") as issued by the Financial Reporting Council. Therefore these financial statements were prepared in accordance with FRS 101. Therefore the recognition and measurement requirements of EU adopted IFRS have been applied, with amendments where necessary in order to comply with the Companies Act 2006.

The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

These financial statements are prepared in pounds sterling because that is the currency of the primary economic activity in which the company operates.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions. Where required, equivalent disclosures are given in the group accounts of Redwood Partnership Ventures 2 Limited ("RPV2"). The group accounts of RPV2 are available to the public and can be obtained as set out in Note 10.

### 2. Accounting policies

#### 2.1 Group accounts

The company has taken advantage of the exemption conferred by Section 400 of the Companies Act 2006 not to prepare consolidated financial statements as the results of the company are included within the consolidated financial statements of its parent company, RPV2 incorporated in Great Britain. Consequently, these financial statements present information about the company as an individual undertaking and not about its group.

## CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2. Accounting policies (continued)

##### 2.2 Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' report on pages 1 to 3. The Directors' report also describes the financial position of the company; its cash flows, liquidity position and borrowing facilities and exposure to credit, liquidity and cash flow risk.

The Directors have assessed the liquidity and forecast covenant compliances for a period of at least twelve months from date of approval of the financial statements. These forecasts include the ability of the Group to meet all loan and interest repayments and other liabilities as they fall due.

During the year, the Covid-19 pandemic continued to have a negative impact on the economy as a whole. However, with Covid-19 related restrictions easing through the start of 2022 and expected to ease further, this impact is forecast to reduce. The Directors have considered the potential impact of Covid-19 when making this assessment.

The Group meets its day to day working capital requirements through cash generated through CBPL, which in turn meets its own working capital requirements through unitary charge receipts from the Trust. As a result of market uncertainty due to the economic environment and the Covid-19 virus epidemic, the following is a potential risk to the company:

- the ability of key sub-contractors to continue to meet their contractual commitments.

The Directors have further assessed the ability of key sub-contractors to continue to meet their contractual commitments including the unlikely event of a sub-contractor failure. To date, the Covid-19 virus epidemic has not resulted in any adverse impact on the services provided by the sub-contractor. In making their assessment, the Directors have tested various stress scenarios which show that, even in the unlikely event of a sub-contractor failure, the Group can continue to meet loan covenants and other liabilities as they fall due (including covenant compliance and the funding of reserves) in the next twelve months. The principal loan covenants are historic and forecast financial ratios.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

##### 2.3 New and amended IFRS Standards that are effective for the current year

###### Other standards effective

All other new standards effective in the year were assessed to not have a material impact on the financial statements.

## CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2. Accounting policies (continued)

##### 2.4 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit may differ from net profit as reported in the Income statement because it may exclude items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of financial position date.

##### **Deferred tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the Statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the Statement of financial position date. Deferred tax is charged or credited in the Income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

##### ***Current tax and deferred tax for the year***

Current and deferred tax are recognised in the income statement, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

##### 2.5 Operating profit

Operating profit is stated after charging restructuring costs and after the share of results of associates but before investment income and finance costs.



## CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2. Accounting policies (continued)

##### 2.6 Investments

Investments in subsidiary companies are stated at cost less provision for impairment. The investment is assessed for impairment annually, based on a review of the cash flow forecast of the subsidiary.

##### 2.7 Financial Instruments

###### Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through the income statement, which are initially measured at fair value.

All recognised financial assets that are within the scope of IFRS 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

###### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as fair value through profit and loss ("FVTPL").

###### Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets measured at fair value through other comprehensive income ("FVTOCI"), trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The company recognises a lifetime expected credit loss for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

## CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2. Accounting policies (continued)

##### 2.7 Financial Instruments (continued)

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

##### **Financial liabilities**

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'

##### ***Financial liabilities and equity***

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

##### ***Equity instruments***

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

##### ***Financial liabilities at FVTPL***

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the income statement. The net gain or loss recognised in the income statement incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Income statement.

##### ***Other financial liabilities***

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability recognised and the consideration paid and payable is recognised in the income statement

#### 2.8 Interest receivable

Interest is accounted for on an accruals basis.

## CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2. Accounting policies (continued)

##### 2.9 Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive the payments has been established, provided it is probable that the economic benefits will flow to the group and the amount of revenue can be measured reliably.

#### 3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in Note 1 above, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### *Critical judgements in applying the company's accounting policies*

There are no critical judgements that the directors have made in the process of applying the company's accounting policies.

##### *Key sources of estimation uncertainty*

In addition to the day to day operations of the company, the directors have considered the impact of the Covid-19 virus epidemic and do not consider there to be key sources of estimation uncertainty which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year. The impact of Covid-19 has been further explained within the going concern assessment in the Directors' report (see page 1)

#### 4. Information regarding directors and employees

The company has no employees other than its directors, who received no remuneration for their services as directors of the company during the year.

#### 5. Auditor's remuneration

The company's audit fees of £1,000 (2020: £1,000) have been borne by the company's subsidiary.

**CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

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**6. Taxation**

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below:

	2021 £	2020 £
Profit before tax	-	-
	<u>          </u>	<u>          </u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	-	-
Effects of:		
	<u>          </u>	<u>          </u>
Total tax charge for the year	-	-
	<u>          </u>	<u>          </u>

**Factors that may affect future tax charges**

There is no deferred tax asset or liability at the reporting date (2020: £nil).

In the March 2021 Budget it was announced that legislation will be introduced in Finance Bill 2021 to increase the main rate of UK corporation tax from 19% to 25%, effective 1 April 2023. This change has had no impact on the accounts in the current or prior period.

**CENTRAL BLACKPOOL PCC HOLDING COMPANY LIMITED**

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**7. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2021	20,000
At 31 December 2021	<u>20,000</u>

The investment represents the company's 100% holding in CBPL, a company registered in England and Wales at the registered office listed on the company information page, whose activities relate to a private finance initiative project.

The investment is held at cost and there is no impairment recognised.

**8. Share capital**

	2021 £	2020 £
<b>Allotted, authorised, called up and fully paid</b>		
20,000 (2020 - 20,000) Ordinary Share shares of £1.00 each	<u>20,000</u>	<u>20,000</u>

All shares rank equally in every respect.

**9. Transactions with directors and other related parties**

There are no transactions between the directors to be disclosed.

The company has taken advantage of the exemption conferred by FRS 101 paragraph 101.8(k) that allows it not to disclose transactions with group companies.

**10. Ultimate and immediate parent company**

The company's immediate, ultimate and controlling parent company, and smallest and largest group into which the company is consolidated is RPV2, a company also incorporated in the United Kingdom. Copies of its financial statements are available at this company's registered office as shown on the company information page.