

Company registration number 07050833 (England and Wales)

GREENWICH BSF SPV LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



GREENWICH BSF SPV LIMITED

COMPANY INFORMATION

Directors	Paul Gill Philip Would
Secretary	S Mian
Company number	07050833
Registered office	3rd Floor, South Building 200 Aldersgate Street London England EC1A 4HD
Auditor	Ryecroft Glenton Chartered Accountants and Statutory Auditors 32 Portland Terrace Newcastle Upon Tyne NE2 1QP

GREENWICH BSF SPV LIMITED

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GREENWICH BSF SPV LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activities of the Company are the design, construction, financing and operation of Crown Woods College and Thomas Tallis School for the Royal Borough of Greenwich (formerly London Borough of Greenwich) under the Building Schools for the Future Private Finance Initiative programme over a period of 27 years.

Directors

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

Paul Gill
Philip Would

Financial instruments

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Interest rate risk

The company is exposed to fair value interest rate risk on its fixed rate borrowings and cash flow interest rate risk on floating rate deposits, bank overdrafts and loans. The company uses interest rate derivatives to manage the mix of fixed and variable rate debt so as to reduce its exposure to changes in interest rates.

Credit risk

Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.


Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

DocuSigned by:

BCAF7797697D445...
Paul Gill
Director

29-Sep-2023 | 12:59 BST
Date:

GREENWICH BSF SPV LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

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

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

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

GREENWICH BSF SPV LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF GREENWICH BSF SPV LIMITED

Opinion

We have audited the financial statements of Greenwich BSF SPV Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 *Auditor's 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 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.

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 the 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.

Opinions on other matters prescribed by the Companies Act 2006

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

GREENWICH BSF SPV LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF GREENWICH BSF SPV LIMITED

Matters on which we are required to report by exception

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 material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

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.

Auditor's 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.

The extent to which our procedures are 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with Directors and other management, and from our commercial knowledge and experience of the infrastructure sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the, financial statements or the operations of the Company, such as the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

GREENWICH BSF SPV LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF GREENWICH BSF SPV LIMITED

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims along with how these are managed; and
- reviewing correspondence with HMRC, and the Company's legal advisors, along with discussing laws and regulations with those who are responsible for compliance;
- holding discussions with those responsible for monitoring and maintaining compliance with laws and regulations.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

GREENWICH BSF SPV LIMITED

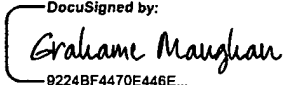
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF GREENWICH BSF SPV LIMITED

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to the member 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 member, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:


9224BF4470E446E...

Grahame Maughan
Senior Statutory Auditor
For and on behalf of Ryecroft Glenton

29-Sep-2023 | 13:29 BST

Date:

Chartered Accountants
Statutory Auditor

Chartered Accountants and Statutory
Auditors
32 Portland Terrace
Newcastle Upon Tyne
NE2 1QP

GREENWICH BSF SPV LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

		2023	2022
	Notes	£000	as restated £000
Turnover	3	5,969	5,627
Cost of sales		(5,170)	(4,703)
Gross profit		799	924
Administrative expenses		(461)	(298)
Operating profit		338	626
Interest receivable and similar income	5	6,692	6,764
Interest payable and similar expenses	6	(5,813)	(6,112)
Profit before taxation		1,217	1,278
Tax on profit	7	(592)	(688)
Profit for the financial year		625	590
Other comprehensive income			
Cash flow hedges gain arising in the year		6,762	5,248
Tax relating to other comprehensive income		(1,318)	(789)
Total comprehensive income for the year		6,069	5,049

The profit and loss account has been prepared on the basis that all operations are continuing operations.

GREENWICH BSF SPV LIMITED**BALANCE SHEET****AS AT 31 MARCH 2023**

		2023		2022 as restated	
	Notes	£000	£000	£000	£000
Current assets					
Debtors falling due after more than one year	8	83,958		85,539	
Debtors falling due within one year	8	5,129		3,577	
Cash at bank and in hand		8,752		8,748	
		97,839		97,864	
Creditors: amounts falling due within one year	9	(11,774)		(12,237)	
Net current assets			86,065		85,627
Creditors: amounts falling due after more than one year	10		(95,465)		(101,096)
Net liabilities			(9,400)		(15,469)
Capital and reserves					
Called up share capital	13		50		50
Hedging reserve			(5,669)		(11,113)
Profit and loss reserves			(3,781)		(4,406)
Total equity			(9,400)		(15,469)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 29-Sep-2023 | 12:59 BST and are signed on its behalf by:

DocuSigned by:

BCAF7797697D445.....
 Paul Gill
 Director

Company Registration No. 07050833

GREENWICH BSF SPV LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Share capital	Hedging reserve	Profit and loss reserves	Total
	£000	£000	£000	£000
As restated for the period ended 31 March 2022:				
Balance at 1 April 2021	50	(15,572)	(4,996)	(20,518)
Year ended 31 March 2022:				
Profit for the year	-	-	590	590
Other comprehensive income:				
Cash flow hedges gains	-	5,248	-	5,248
Tax relating to other comprehensive income	-	(789)	-	(789)
Total comprehensive income for the year	-	4,459	590	5,049
Balance at 31 March 2022	50	(11,113)	(4,406)	(15,469)
Year ended 31 March 2023:				
Profit for the year	-	-	625	625
Other comprehensive income:				
Cash flow hedges gains	-	6,762	-	6,762
Tax relating to other comprehensive income	-	(1,318)	-	(1,318)
Total comprehensive income for the year	-	5,444	625	6,069
Balance at 31 March 2023	50	(5,669)	(3,781)	(9,400)

GREENWICH BSF SPV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Greenwich BSF SPV Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor, South Building, 200 Aldersgate Street, London, England, EC1A 4HD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

There are also net liabilities of £9,400k (2022: £15,469k). It is expected that the company will return to a net asset position for its profit and loss account reserve from 2026 onwards based on expectations set out in the financial models. The Company however continues to operate profitably with a profit after tax of £625k (2022: £590k) and a cash balance of £8,752k (2022: £8,748k) which means it is able to meet its regular working capital requirements.

The directors are also mindful of the relationship with the local authority and ensure that this is carefully monitored and maintained. There have been no instances during the year or since of noncompliance of the Project Agreement, and the relationship with the local authority remains strong.

The credit and performance risk of the Facilities Manager contract supplier is monitored on a regular basis to ensure that the services are delivered on a continuing timely basis to the appropriate standard.

1.3 Turnover

Turnover during the construction period represents the costs capitalised during construction. During the operational period turnover represents the amounts due from the customer in respect of the activities undertaken as described in the Directors' report. The customer pays a monthly fee to the Company for the services provided (the Unitary Payment), which is allocated between turnover, interest receivable on the finance debtor and reimbursement of the finance debtor so as to generate a constant return in respect of the finance debtor over the life of the contract. Turnover reflects recharges for services provided, lifecycle costs and all operating costs plus an appropriate margin apportioned to these costs.

The margin applied is calculated on an annual basis and derived from the operational model which is updated at the end of each year based on the actual costs incurred to date. The margin is calculated as the total income forecast to be receivable over the life of the project less all service, life cycle and other operating costs forecast to be payable over the life of the project.

Turnover originates entirely in the United Kingdom and is stated exclusive of value added tax. Cost of sales represents costs incurred in respect of services delivered in the period.

GREENWICH BSF SPV LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

GREENWICH BSF SPV LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Financial asset

The assets of the Company fall under Service Concession Arrangements by virtue of the fact that the public sector customer ("Grantor") passes both elements of the asset control test:

- i) The Grantor controls the use of the asset via the project agreement and all service level requirements contained therein;
- ii) The Grantor controls the entitlement to residual asset proceeds via an entitlement to purchase the asset prior to an offer to the open market which can be exercised at the Grantor's discretion.

Under section 34 of FRS 102, such assets should be capitalised into a financial asset attributed to the provision of services when there is an unconditional contractual right to receive cash of another financial asset from the Grantor. After initial recognition, the financial asset is accounted for in accordance with section 11 of FRS 102.

Pursuant to section 23 of FRS 102, revenue associated with the financial asset comprises service income related to facilities management, lifecycle maintenance and other administrative running costs of the Company.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Hedge accounting

The Company has entered into variable to fixed rate interest swaps to manage its exposure to interest rate cash flow risk on its variable rate debt. These derivatives are measured at fair value at each reporting date. To the extent the hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in Statement of Comprehensive Income for the period.

In 2016 the Company refinanced its debt. The previous hedge liability was derecognised from the balance sheet in line with the new swap liability being recognised. However, in line with the judgements applied in note 2 of these financial statements, the hedging reserve and accompanying deferred tax was continued and is being amortised over the life of the new financial liability using the effective interest method.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

For derivatives that are designated and qualify as cash flow hedges, the effective portion of changes in the fair value of the hedge is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Any gain or loss previously recognised in other comprehensive income is reclassified to profit or loss when the hedge relationship ends. This occurs when the hedging instrument expires or no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised, or the hedging instrument is terminated.

1.8 Taxation

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

GREENWICH BSF SPV LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes 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 reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end 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. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

GREENWICH BSF SPV LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Judgements and key sources of estimation uncertainty

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

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

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Concession arrangements - The concession arrangements undertaken by the company are considered to fall within the scope of section 34 of FRS 102 "Service Concession Arrangements", as described in the Turnover note. This judgement has been based on a consideration of the nature and terms of the agreements.

Hedge accounting

In 2016 the Company refinanced its debt from Lloyds to MUFG Bank and MEAG Bank. As part of that refinancing, the hedging reserve has been continued as a result of the conditions outlined in 12.18 of FRS102. The key consideration of management being that the hedging strategy, in management's judgement, had been clearly outlined and envisaged in the Project Agreement. Any cumulative gain or loss then resulting on the hedging reserve at the point of refinancing has then been retained in equity and subsequently unwound over the remainder of the concession in line with the senior loan facility on an amortised cost basis under an effective interest rate calculation.

The day one loss in relation to the original swap has been amortised on a straight line basis to the date of refinancing, this loss has been estimated as the difference between the swap break cost and the value of a hypothetical derivative with zero value at day one. Management has used its judgement that hedge accounting can be continued post refinancing as the original hedging strategy has been maintained

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Financial Asset Interest Rate - The financial asset interest income is based on the weighted average cost of capital of the project and is applied to the carrying value of the Financial Asset on a quarterly basis. The average interest rate used at the year end is 7.25% per annum.

Service Margin - After the assets are constructed, the Company provides property management services. The remuneration for these services is recognised at cost plus an estimated mark up for profit on property management services.

Fair value of interest rate swaps - the fair value of interest rate swaps is determined by reference to market-to-market valuations provided periodically by the senior lender.

GREENWICH BSF SPV LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2023****3 Turnover and other revenue**

	2023	2022
	£000	£000
Turnover analysed by class of business		
Service concession	4,405	4,916
Pass through income	1,564	711
	<u>5,969</u>	<u>5,627</u>
	2023	2022
	£000	£000
Other revenue		
Interest income	6,692	6,764
	<u>6,692</u>	<u>6,764</u>

4 Employees

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

	2023	2022
	Number	Number
Total	<u> </u>	<u> </u>

5 Interest receivable and similar income

	2023	2022
	£000	£000
Interest receivable and similar income includes the following:		
Interest on bank deposits	141	5
Other interest income	6,314	6,546
Interest receivable from group companies	237	213
	<u>6,692</u>	<u>6,764</u>

6 Interest payable and similar expenses

	2023	2022
	£000	£000
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	2,866	3,050
Interest payable to group undertakings	1,137	1,152
Other interest on financial liabilities	1,501	1,585
	<u>5,504</u>	<u>5,787</u>
Other finance costs:		
Finance costs for financial instruments measured at fair value through profit or loss	309	325
	<u>5,813</u>	<u>6,112</u>

GREENWICH BSF SPV LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2023**7 Taxation**

	2023	2022
	£000	£000
Current tax		
UK corporation tax on profits for the current period	222	294
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	370	394
	<u> </u>	<u> </u>
Total tax charge	<u>592</u>	<u>688</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023	2022
	£000	£000
Profit before taxation	1,217	1,278
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	231	243
Change in unrecognised deferred tax assets	361	394
Adjustments in respect of prior years	-	51
	<u> </u>	<u> </u>
Taxation charge for the year	<u>592</u>	<u>688</u>

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023	2022
	£000	£000
Deferred tax arising on:		
Revaluation of financial instruments treated as cash flow hedges	1,318	789
	<u> </u>	<u> </u>

8 Debtors

	2023	2022
	£000	£000
Amounts falling due within one year:		
Trade debtors	1,281	-
Financial asset	3,811	3,537
Prepayments and accrued income	37	40
	<u> </u>	<u> </u>
	<u>5,129</u>	<u>3,577</u>

GREENWICH BSF SPV LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2023

8 Debtors		(Continued)	
		2023	2022
			As restated
		£000	£000
Amounts falling due after more than one year:			
Financial asset		68,817	74,208
Amounts owed by group undertakings		7,337	7,100
Derivative financial instruments		6,826	1,554
		<u>82,980</u>	<u>82,862</u>
Deferred tax asset (note 12)		978	2,677
		<u>83,958</u>	<u>85,539</u>
Total debtors		<u>89,087</u>	<u>89,116</u>

In the year ended 31 March 2017 the Company issued, to its shareholders, an upstream loan totalling to a notional amount of £5,947k. Interest is charged semi-annually at a rate of 3.026% pa. Loan and interest repayment date is 30 April 2036.

The balance outstanding as at the year end is £7,337k (2022: £7,100k) which represents £5,947k (2022: £5,947k) of loan capital and £1,390k (2022: £1,153k) of accumulated interest charged.

9 Creditors: amounts falling due within one year		2023	2022
		£000	£000
Bank loans	11	5,732	6,108
Trade creditors		743	210
Amounts owed to group undertakings		712	823
Corporation tax		112	191
Other taxation and social security		243	567
Other creditors		48	15
Accruals and deferred income		4,184	4,323
		<u>11,774</u>	<u>12,237</u>

10 Creditors: amounts falling due after more than one year		2023	2022
			As restated
	Notes	£000	£000
Bank loans and overdrafts	11	85,707	91,184
Unamortised facility arrangement fees	11	9,758	9,912
		<u>95,465</u>	<u>101,096</u>

GREENWICH BSF SPV LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2023****11 Loans and overdrafts**

	2023	2022
	£000	£000
Bank loans	91,439	97,292
Loans from group undertakings and related parties	9,758	9,912
	<u>101,197</u>	<u>107,204</u>
Payable within one year	5,732	6,108
Payable after one year	<u>95,465</u>	<u>101,096</u>

On 17 June 2016 the Company refinanced its existing Senior debt with Lloyds Bank and replaced it with MUFG Bank and MEAG Bank. The capital of the Lloyds debt was repaid in full and two new equal loans were drawdown totalling £133,875k.

The MUFG loan is secured by fixed and floating charges over the assets of the Company and incurs interest at a variable rate based on SONIA. An interest rate swap fixed the annual rate at 2.968% on this loan. The interest rate payable on the MEAG loan is fixed at 2.883%. Repayments of the loans are due semi-annually, ending in April 2036. Included within the loan balance are refinancing costs of £1.8m (2022: £2.1m) which are being amortised over the remaining life of the loan.

The parent Company shareholders loaned £12,916k on 11 June 2012, which subsequently loaned this amount to Greenwich BSF SPV Limited for the settlement of the Equity Bridge Loan. The loan from the parent Company bears interest at 11% per annum and is repayable in semi-annual installments from 31 March 2013. Included within this balance is accrued interest of £497k (2022: £574k).

The Company has entered into interest rate swap contracts with MUFG to hedge its exposure to fluctuations in interest rates. The effect of the interest rate swap is that the Company pays a fixed rate of interest of 2.968% per annum on its loan from 16 June 2016 to 30 April 2036. Receipts and payments on interest rate instruments are recognised on an accruals basis over the life of the instrument.

The notional principal amount of the interest rate swaps as at 31 March 2023 is £46,647k (2022: £49,701k) and the interest rate swaps mature on 30 April 2036.

12 Deferred taxation

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

	Assets	Assets
	2023	2022
	£000	£000
Balances:		
Deferred tax on interest rate swap	<u>978</u>	<u>2,677</u>

GREENWICH BSF SPV LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Deferred taxation

(Continued)

	2023 £000
Movements in the year:	
Asset at 1 April 2022	(2,677)
Charge to profit or loss	381
Charge to other comprehensive income	1,318
	<u> </u>
Asset at 31 March 2023	<u>(978)</u>

A deferred tax asset has been recognised to the extent that the Directors consider that it is more likely than not that sufficient taxable profits will be available in the future against which the deferred tax asset can be recovered.

13 Called up share capital

	2023 Number	2022 Number	2023 £000	2022 £000
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	50,000	50,000	50	50
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

14 Related party transactions

Equitix Management Services Limited is a related party due to the ultimate parent Company having significant control over the entity. During the year £128k (2022: £101k) was paid to Equitix Management Services Limited. At the reporting date £0 (2022: £12k) of the management services fees remained outstanding within trade creditors.

£111k (2022: £101k) was paid in total to Equitix Education Limited for the provision of Directors' services.

15 Parent company

The Directors regard Greenwich BSF Holdco Limited as the immediate parent undertaking. In the Directors' opinion Equitix Fund I LP, an English limited partnership, is considered to be the ultimate parent company

16 Prior period adjustment

The swap valuation for the previous year has been restated to be corrected as an asset. This has resulted in a correction to the hedging reserve, deferred tax and other comprehensive income of £2,330k.