

Company registration number 07299354 (England and Wales)

TPFL PSP TWO LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



TPFL PSP TWO LIMITED

COMPANY INFORMATION

Directors	K O'Brien H Holman
Secretary	O Peach
Company number	07299354
Registered office	3rd Floor, South Building 200 Aldersgate Street London England EC1A 4HD
Auditor	Goodman Jones LLP 29-30 Fitzroy Square Fitzrovia London W1T 6LQ

TPFL PSP TWO LIMITED

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TPFL PSP TWO 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 in the year under review were the investment in subsidiaries whose activities include the provision of construction and maintenance services for a secondary school in the London Borough of Barking and Dagenham.

The Company's operations are managed under the supervision of its shareholders and funders. For this reason, the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the performance or position of the business.

Results and dividends

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

The profit for the year, after taxation amounts to £144,000 (2022 - £190,000).

Ordinary dividends were paid amounting to £144,000 (2022 - £190,000). The directors do not recommend payment of a further dividend.

Directors

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

K O'Brien
H Holman

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The directors held throughout the financial year directors' and Officers' liability insurance.

Auditor

The auditor, Goodman Jones LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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.

TPFL PSP TWO LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

On behalf of the board



H Holman
Director

27 September 2023

TPFL PSP TWO 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.

TPFL PSP TWO LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TPFL PSP TWO LIMITED

Opinion

We have audited the financial statements of TPFL PSP Two 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.

TPFL PSP TWO LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TPFL PSP TWO 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.

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 noncompliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, 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 preparation of the financial statements such as the Companies Act 2006 and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

Appropriate audit procedures in response to these risks were carried out. These procedures included:

- Discussions with management, including consideration of known or suspected instances of noncompliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

TPFL PSP TWO LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TPFL PSP TWO LIMITED

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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 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.

Use of our 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.

Goodman Jones LLP

Paul Bailey
Senior Statutory Auditor
For and on behalf of Goodman Jones LLP

27 September 2023

Chartered Accountants
Statutory Auditor

29-30 Fitzroy Square
Fitzrovia
London
W1T 6LQ

TPFL PSP TWO LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £000	2022 £000
Income from other fixed asset investments	5	144	190
Interest receivable from group undertakings	5	210	217
Other interest payable and similar expenses	6	(210)	(217)
Profit before taxation		144	190
Tax on profit	7	-	-
Profit for the financial year		144	190

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

The notes on pages 10 to 14 form part of these financial statements.

TPFL PSP TWO LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£000	£000	£000	£000
Fixed assets					
Investments	8		1,798		1,864
Current assets		-		-	
Creditors: amounts falling due within one year	10	(176)		(173)	
Net current liabilities			(176)		(173)
Total assets less current liabilities			1,622		1,691
Creditors: amounts falling due after more than one year	11		(1,586)		(1,655)
Net assets			36		36
Capital and reserves					
Called up share capital	13		36		36

The notes on pages 10 to 14 form part of these financial statements.

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 27 September 2023 and are signed on its behalf by:



H Holman
Director

Company Registration No. 07299354

TPFL PSP TWO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Share capital £000	Profit and loss reserves £000	Total £000
Balance at 1 April 2021		36	-	36
Year ended 31 March 2022:				
Profit and total comprehensive income for the year		-	190	190
Dividends		-	(190)	(190)
Balance at 31 March 2022		36	-	36
Year ended 31 March 2023:				
Profit and total comprehensive income for the year		-	144	144
Dividends		-	(144)	(144)
Balance at 31 March 2023		<u>36</u>	<u>-</u>	<u>36</u>

The notes on pages 10 to 14 form part of these financial statements.

TPFL PSP TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

TPFL PSP Two Limited (the "Company") is a company limited by shares and incorporated and domiciled in England. The Company was incorporated on 29th June 2010.

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.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

The directors believe the Company should adopt the going concern principle because the underlying asset is a Private Finance Initiative investment which during the construction period may incur minor losses, however, over the course of the operational concession the investment will generate positive reserves and therefore service the shareholder loan.

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.

1.3 Fixed asset investments

Interests in Investments are stated at cost less provision for impairment. Income from investments is included in the company statement of comprehensive income as declared and, where the company's interest has arisen within its core business, such income is included within the company's operating results.

1.4 Current Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.5 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.6 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

TPFL PSP TWO LIMITED

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

2 Judgements and key sources of estimation uncertainty

There were no such items noted in the preparation of the Financial Statements.

3 Operating profit

	2023	2022
	£000	£000
Operating profit for the year is stated after charging:		
	<u> </u>	<u> </u>

Audit Fees of £1.5K (2022: £1.5K) were borne by another group company.

There were no directors emoluments during the year (2022: £Nil) in relation to services performed for this entity.

4 Employees

The company had no employees during the year (2022: none).

There were no staff costs for the year ended 31st March 2023. (2022: £Nil).

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

5 Interest receivable and similar income

	2023 £000	2022 £000
Interest receivable and similar income includes the following:		
Income from other fixed asset investments	144	190
Interest receivable from group companies	210	217
	<u> </u>	<u> </u>

6 Interest payable and similar expenses

	2023 £000	2022 £000
Interest payable and similar expenses includes the following:		
Interest on bank overdrafts and loans	210	217
	<u> </u>	<u> </u>

7 Taxation

Factors that may affect future tax charges

The UK corporation tax rate increase from 19% to 25%, effective 1 April 2023, was enacted following the March 2021 Budget.

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31st March 2023. (2022: £Nil).

TPFL PSP TWO LIMITED

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

8 Fixed asset investments

	2023 £000	2022 £000
Shares in group undertakings and participating interests	1,798	1,864

Disposals represents amounts received from the Company's subsidiary in the year in relation to the investment.

Movements in fixed asset investments

	Shares in subsidiaries £000
Cost or valuation	
At 1 April 2022	1,864
Disposals	(66)
At 31 March 2023	1,798
Carrying amount	
At 31 March 2023	1,798
At 31 March 2022	1,864

Fixed asset investments reflect amounts invested into TPfL Hold Co Limited, a company registered in the UK with a registered address of 3rd Floor, South Building, 200 Aldersgate Street, London, EC1A 4HD.

9 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
TPFL Hold Co Limited	3rd Floor, South Building, 200 Aldersgate Street, London, EC1A 4HD	Ordinary	72.00	-
TPFL Project Co Limited	3rd Floor, South Building, 200 Aldersgate Street, London, EC1A 4HD	Ordinary	-	72.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves	Profit/(Loss)
	£000	£000
TPFL Hold Co Limited	50	200
TPFL Project Co Limited	48	246

TPFL PSP TWO LIMITED

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

10 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Amounts owed to group	176	173

11 Creditors: amounts falling due after more than one year

	Notes	2023 £000	2022 £000
Amounts owed to group	12	1,586	1,655

Amounts included above which fall due after five years are as follows:

Payable by instalments	1,113	1,321
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12 Loans and overdrafts

	2023 £000	2022 £000
Loans from group undertakings and related parties	1,762	1,828
Payable within one year	176	173
Payable after one year	1,586	1,655

Loan notes are held at a fixed return of 12.5% and are re payable in instalments by March 2036.

During the year the Company received payment of £66k (2022: £59k) of loan notes from TPFL Project Co Limited and subsequently repaid £66k (2022: £59k) of its loan notes to its shareholders.

13 Called up share capital

	2023 Number	2022 Number	2023 £000	2022 £000
Ordinary share capital Issued and fully paid 36,000 (2022 - 36,000) Ordinary shares of £1 each	36,000	36,000	36	36

TPFL PSP TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

Name of related party	Nature of relationship	Income		Payments	
		2023	2022	2023	2022
		£000	£000	£000	£000
Equitix MA Infrastructure Limited	Shareholder				
TPFL Project Co Limited	Investment				
	Description of transaction				
Equitix MA Infrastructure Limited	Loan interest	-	-	(210)	(217)
TPFL Project Co Limited	Loan interest	210	217	-	-
		<u>210</u>	<u>217</u>	<u>-</u>	<u>-</u>

Balances with related parties

	Amounts owed by related parties		Amounts owed to related parties	
	2023	2022	2023	2022
	£000	£000	£000	£000
Equitix MA Infrastructure Limited	-	-	(1,762)	(1,828)
TPFL Project Co Limited	1,762	1,828	-	-
	<u>1,762</u>	<u>1,828</u>	<u>-</u>	<u>-</u>

15 Parent company

The immediate parent undertaking is Equitix MA Infrastructure Limited. The directors consider the ultimate controlling party of the Company at 31st March 2023 to be Equitix MA 1 LP.