

Registered number: 07521716

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

TUESDAY



ABGTP8VT

A08

15/11/2022

#56

COMPANIES HOUSE

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

COMPANY INFORMATION

Directors	T S Cunningham (appointed 30 April 2019) J A Scott (appointed 1 July 2021)
------------------	---

Company secretary	N Brodie (appointed 19 January 2022)
--------------------------	--------------------------------------

Registered number	07521716
--------------------------	----------

Registered office	3rd Floor, South Building 200 Aldersgate Street London EC1A 4HD
--------------------------	--

Independent auditors	BDO LLP Statutory Auditor London
-----------------------------	--

Bankers	Lloyds Bank 25 Gresham Street London EC2V 7HN
----------------	--

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

CONTENTS

	Page
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditors' report	4 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11 - 19

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The Directors present their report and the financial statements for the year ended 31 March 2022.

Principal activity

The Company, incorporated on 8 February 2011, has been established as a non trading holding company for the investment in Croydon and Lewisham Lighting Services Limited. Croydon and Lewisham Lighting Services Limited is responsible for the the design, installation, refurbishment and maintenance of certain street lighting. Financial Close was achieved on 19 April 2011. The concession period is 25 years. The completion certificate for the construction works was received on 29 November 2016.

The project is now fully operational and is performing to the standards of the contract.

The Directors have considered the performance of the Company during the year and the financial position at the end of the year and believe its prospects for the future to be satisfactory and consistent with expectations.

Going concern

The Company is being used to hold the subordinated debt in respect of Croydon and Lewisham Lighting Services Limited, which is a wholly owned subsidiary of the Company, and this debt will not be repaid in the 12 months from the signing of the financial statements.

Financial performance of Croydon and Lewisham Lighting Services Limited continues to be in line with the financial model showing that the project remains profitable over the remaining service concession and that adequate cashflow will be available to Croydon and Lewisham Lighting Services Limited to meets its liabilities including senior and subordinated debts as they fall due.

The continued uncertainty in respect of Brexit poses a risk to the UK economy however the Directors consider the risk to the Company and Croydon and Lewisham Lighting Services Limited to be minimal given the majority of costs are fixed, the unitary charge income due to be received over the life of the concession arrangement has been agreed, the service concession arrangement is with a public sector body and finance costs are fixed due to the interest rate swap in place.

In the annual review of the Company's going concern status, the Directors have considered the potential long term impact of the Covid-19 pandemic on the Company and its subsidiary. Croydon and Lewisham Lighting Services Limited has entered into long-term contracts with both the client and suppliers, and after careful review of these contracts the Directors are confident that Croydon and Lewisham Lighting Services Limited can operate as normal for the next twelve months. The Directors have committed to carrying out regular reviews of Croydon and Lewisham Lighting Services Limited's cash flows to monitor the ongoing situation.

On the basis that Croydon and Lewisham Lighting Services Limited is deemed to be a going concern, the Company itself is deemed to be a going concern as the Company will continue to hold the sub debt and investment in Croydon and Lewisham Lighting Services Limited. The Directors therefore apply the going concern assumption in the preparation of these financial statements.

Brexit

The continued uncertainty in respect of Brexit poses a risk to the UK economy however the Directors consider the risk to the Company and Croydon and Lewisham Lighting Services Limited to be minimal given the majority of costs are fixed, the unitary charge income due to be received over the life of the concession arrangement has been agreed, the service concession arrangement is with a public sector body and finance costs are fixed due to the interest rate swap in place.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Directors

The Directors who served during the year and up to the signing of these financial statements were:

T S Cunningham (appointed 30 April 2019)

J A Scott (appointed 1 July 2021)

K Rahuf (resigned 8 August 2022)

Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its Directors during the year. These provisions remain in force at the reporting date.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

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

Small companies' note

In preparing this report, the Directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

EB543E51607E4DA...

.....
T S Cunningham
Director

Date: 27 October 2022

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

The Directors are responsible for preparing the Directors' 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for 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.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its result 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.

We have audited the financial statements of Croydon and Lewisham Lighting Services (Holdings) Limited (the 'Company') for the year ended 31 March 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and notes to the financial statements, including a summary of 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 Section 1A *'The Financial Reporting Standard applicable in the UK and Republic of Ireland'* (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED (CONTINUED)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Director's report other than the financial statements and our auditors' report thereon. 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.

Other Companies Act 2006 reporting

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 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED (CONTINUED)

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 3, 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was 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 obtained an understanding of the legal and regulatory framework applicable to the entity and the industry in which it operates. We considered the significant laws and regulations to be Companies Act 2006 and the applicable accounting standards.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

Audit procedures performed by the engagement team included:

- We checked the design and implementation of key controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud and how management monitors those processes and controls;
- We reviewed minutes of Board meetings throughout the year for any evidence of non-compliance with laws and regulations;
- We made enquiries of Management, those charged with governance and those responsible for legal and compliance procedures as to whether there was any correspondence from regulators in so far as the correspondence related to financial statements;
- We challenged assumptions and judgements made by management in areas involving significant estimates, with the key sources of estimation identified as the recoverability of balances due from subsidiary undertaking;
- We agreed all balance movements and transactions in the year to supporting documentation; and
- 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.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED (CONTINUED)

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' 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 auditors' 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.

DocuSigned by:
BDO LLP
2CA02FD38C43456...

Richard Willis (Senior Statutory Auditor)
for and on behalf of BDO LLP, statutory auditor
London
31 October 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£	£000
Interest receivable and similar income	852	900
Interest payable and similar expenses	(852)	(900)
Profit before tax	-	-
Tax on profit	-	-
Profit for the financial year	-	-

6

There was no other comprehensive income for 2022 (2021 - £NIL).

The notes on pages 11 to 19 form part of these financial statements.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
REGISTERED NUMBER: 07521716

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £000	2021 £000
Current assets			
Debtors: amounts falling due after more than one year	8	6,565	6,885
Debtors: amounts falling due within one year	8	653	758
		<u>7,218</u>	<u>7,643</u>
Creditors: amounts falling due within one year	9	(653)	(758)
Net current assets		<u>6,565</u>	<u>6,885</u>
Total assets less current liabilities		<u>6,565</u>	<u>6,885</u>
Creditors: amounts falling due after more than one year	10	(6,565)	(6,885)
Net assets		<u><u>-</u></u>	<u><u>-</u></u>
Capital and reserves			
Called up share capital	12	-	-
Total shareholders' funds		<u><u>-</u></u>	<u><u>-</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

DocuSigned by:

 EB543E51607E4DA...

T S Cunningham

Director

Date: 27 October 2022

The notes on pages 11 to 19 form part of these financial statements.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £000	Total equity £000
At 1 April 2020	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
At 1 April 2021	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
At 31 March 2022	-	-

The notes on pages 11 to 19 form part of these financial statements.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. General information

Croydon and Lewisham Lighting Services (Holdings) Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 3rd Floor, South Building, 200 Aldersgate Street, London, EC1A 4HD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

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 following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

For the year ended 31 March 2021, consolidated financial statements were prepared for the group, which consisted of the company and its wholly owned subsidiary. However, for the year ended 31 March 2022, the financial statements have been prepared for the Company only. As a result, the financial statements for the year ended 31 March 2022 does include a company statement of comprehensive income, whereas for 31 March 2021 the group took an exemption from separately disclosing this and so there is no direct comparative shown in the 31 March 2021 financial statements.

2.3 Going concern

The Company is being used to hold the subordinated debt in respect of Croydon and Lewisham Lighting Services Limited, which is a wholly owned subsidiary of the Company, and this debt will not be repaid in the 12 months from the signing of the financial statements.

Financial performance of Croydon and Lewisham Lighting Services Limited continues to be in line with the financial model showing that the project remains profitable over the remaining service concession and that adequate cashflow will be available to Croydon and Lewisham Lighting Services Limited to meet its liabilities including senior and subordinated debts as they fall due.

The continued uncertainty in respect of Brexit poses a risk to the UK economy however the Directors consider the risk to the Company and Croydon and Lewisham Lighting Services Limited to be minimal given the majority of costs are fixed, the unitary charge income due to be received over the life of the concession arrangement has been agreed, the service concession arrangement is with a public sector body and finance costs are fixed due to the interest rate swap in place.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)**2.3 Going concern (continued)**

In the annual review of the Company's going concern status, the Directors have considered the potential long term impact of the Covid-19 pandemic on the Company and its subsidiary. Croydon and Lewisham Lighting Services Limited has entered into long-term contracts with both the client and suppliers, and after careful review of these contracts the Directors are confident that Croydon and Lewisham Lighting Services Limited can operate as normal for the next twelve months. The Directors have committed to carrying out regular reviews of Croydon and Lewisham Lighting Services Limited's cash flows to monitor the ongoing situation.

On the basis that Croydon and Lewisham Lighting Services Limited is deemed to be a going concern, the Company itself is deemed to be a going concern as the Company will continue to hold the sub debt and investment in Croydon and Lewisham Lighting Services Limited. The Directors therefore apply the going concern assumption in the preparation of these financial statements.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 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.

2.10 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 Statement of financial position when the Company becomes party to the contractual provisions of the instrument.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.10 Financial instruments (continued)

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.

Loans and receivables

Trade debtors, 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 is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

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.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)**2.10 Financial instruments (continued)****Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

3. Judgements in applying accounting policies 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 estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Recoverable value of loans

Management makes an estimate of the likely recoverable value of the loan to group undertakings by considering factors including the ageing profile, historic experience of the respective debtor, net asset value of the counterparty and future expected cash flows of the counterparty to settle the balance in full.

There are no accounting estimates.

4. Auditors remuneration

The audit fee in respect of the Company of has been paid by a group undertaking, Croydon and Lewisham Lighting Services Limited.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2021 - £NIL).

6. Taxation

	2022 £000	2021 £000
Corporation tax	-	-
Total current tax	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - *lower than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £000	2021 £000
Profit on ordinary activities before tax	-	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	-	-
Effects of:		
Non-taxable income	-	-
Total tax charge for the year	-	-

Factors that may affect future tax charges

The Chancellor announced in the Budget on 3 March 2021, that there would be an increase in the top rate of corporation tax to 25% for companies generated taxable profits of more than £250,000. A corporation tax rate of 19% will apply to companies generating taxable profits of less than £50,000. A marginal rate will be applied for profits between these taxable profit banding's. This change becomes effective from 1 April 2023. This will increase the Company's future tax charge accordingly.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Fixed asset investments

	Investment in subsidiary £
Cost or valuation	
At 1 April 2021	100
	<hr/>
At 31 March 2022	100
	<hr/> <hr/>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Croydon and Lewisham Lighting Services Limited	3rd Floor, South Building, 200 Aldersgate Street, London, EC1A 4HD	Ordinary shares	100%

The aggregate of the share capital and reserves as at 31 March 2022 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves £'000	Profit £'000
Croydon and Lewisham Lighting Services Limited	(8,517)	571

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Debtors

	2022	<i>2021</i>
	£000	<i>£000</i>
Due after more than one year		
Amounts owed from subsidiary undertaking	6,565	<i>6,885</i>

	2022	<i>2021</i>
	£000	<i>£000</i>
Due within one year		
Amounts owed from subsidiary undertaking	653	<i>758</i>

At the year end the Company was owed £6,798,000 (2021: £7,196,000) in loans and accrued interest of £420,000 (2021: £447,000) from its subsidiary undertaking. The debt is subject to an interest rate of 12.35% per annum and is repayable by instalments from surplus funds to 30th September 2035.

9. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£000	<i>£000</i>
Amounts owed to parent undertakings	653	<i>758</i>

10. Creditors: Amounts falling due after more than one year

	2022	<i>2021</i>
	£000	<i>£000</i>
Amounts owed to parent undertakings	6,565	<i>6,885</i>

The amounts owed to parent undertakings comprise subordinated loans of £6,798,000 (2021: £7,196,000) and accrued interest of £420,000 (2021: £447,000). The debt is subject to an interest rate of 12.35% per annum and are repayable by 2036 in line with the agreed repayment schedules.

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Loans

Analysis of the maturity of loans is given below:

	2022 £000	2021 £000
Amounts owed to parent undertakings		
Amounts falling due within one year	653	758
Amounts falling due 1-2 years	203	179
Amounts falling due 2-5 years	878	602
Amounts falling due after more than 5 years	5,484	6,104
	7,218	7,643

12. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
100 (2021 - 100) Ordinary shares of £1.00 each	100	100

13. Related party balances and transactions

	Debtor £000	Creditor £000	Interest receivable £000	Interest payable £000
2022				
Croydon and Lewisham Lighting Services Limited	7,218	-	852	-
Equitix Bright Holdco Limited	-	3,609	-	426
JLIF Holdings (Croydon and Lewisham Street Lighting) Limited	-	3,609	-	426
	7,218	7,218	852	852

CROYDON AND LEWISHAM LIGHTING SERVICES (HOLDINGS) LIMITED
--

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Related party balances and transactions (continued)

	<i>Debtor</i> £000	<i>Creditor</i> £000	<i>Interest receivable</i> £000	<i>Interest payable</i> £000
2021				
Croydon and Lewisham Lighting Services Limited	7,643	-	900	-
Equitix Bright Holdco Limited	-	3,822	-	450
JLIF Holdings (Croydon and Lewisham Street Lighting) Limited	-	3,821	-	450
	<u>7,643</u>	<u>7,643</u>	<u>900</u>	<u>900</u>

Bank loans held by Croydon and Lewisham Lighting Services Limited are secured by a fixed and floating charge over all the assets of the Company and a charge over the shares of the Company.

14. Controlling party

The Company is a joint venture between JLIF Holdings (Croydon and Lewisham Street Lighting) Limited (50%) and Equitix Bright Holdco Limited (50%) who jointly control the company. JLIF Holdings (Croydon and Lewisham Street Lighting) Limited is a company incorporated in Great Britain and registered in England and Wales, with a registered address of 3rd Floor, South Building, 200 Aldersgate Street, London, England, EC1A 4HD. Equitix Bright Holdco Limited is a company incorporated in Great Britain and registered in England and Wales, with a registered address of 3rd Floor, South Building, 200 Aldersgate Street, London, England, EC1A 4HD.

The Company's ultimate parent and controlling entity is Equitix Fund V LP, a limited partnership incorporated in Great Britain and registered in England and Wales, with a registered address of 200 Aldersgate Street, London, EC1A 4HD.