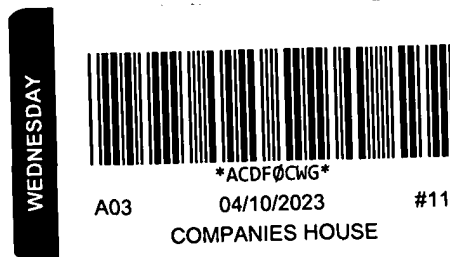


CORSERV LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023



CORSERV LIMITED

COMPANY INFORMATION

DIRECTORS

P R Andrew
S G Ashby (appointed 1 January 2023)
P A Cooper (appointed 22 August 2022)
J M Gregory
M W Hanrahan
T A Jeans
C J Robinson
V J Horton (appointed 1 April 2022, resigned 8 February 2023)
P J Mawston (resigned 8 April 2022)
R S Morton (appointed 1 April 2022, resigned 22 August 2022)

COMPANY SECRETARY

D E G Kinnair (resigned 30 June 2022)

REGISTERED NUMBER

09598549

REGISTERED OFFICE

Western Group Centre
Radnor Road
Scorrier
Redruth
Cornwall
TR16 5EH

INDEPENDENT AUDITORS

Bishop Fleming LLP
Chartered Accountants & Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

BANKERS

NatWest
2/4 St Nicholas Street
Truro
Cornwall
TR1 2RN

CORSERV LIMITED

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CORSERV LIMITED

CHAIR'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

The chairman presents his statement for the period.

2022 has been a positive year in terms of the Group's growth strategy with significant pipelines building especially in the Cormac Division. All the companies have felt the impact of the economic crisis in one way or another whether it be price increases such as fuel and bitumen to the employment market creating hot spots for key recruitment and retention.

The Airport has made good progress in the restoration of the route network post covid and now has a number of operators which provides resilience compared to an over reliance on one operator which was previously the case. However, the change in the PSO contract flying frequency and structure of the route alongside general cost pressures means that CAL remains in a challenging financial position. The strategic review will be important in identifying solutions for additional income in the future through the property estate.

Cornwall Housing and Corserv Facilities continue their improvement journey with progress being shown across the board especially in the area of safety and compliance.

Once again, the Group has successfully delivered on the national stage with significant input into the Armed Forces Day which was seen as one of the best events ever. Our contributions really helped to make the event run smoothly and shine a spotlight on Cornwall.

Name Peter Andrew MBE
Chairman

Date 8 September 2023

CORSERV LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

BUSINESS OVERVIEW

"Working together to improve the lives of Cornwall"

The Corserv Group is a diverse group of businesses, owned by Cornwall Council and established to improve the lives of people in Cornwall by generating growth and opportunity. Corserv Ltd is the parent company of the Corserv Group

The company brings together services that support our various businesses, creating better, more fit for purpose management structures and governance, saving time and money and delivering excellent services. These support functions provide the following services:

- Human Resources,
- Finance,
- Procurement,
- Communications and Marketing,
- Legal and Corporate Governance,
- Health and Safety and Environmental,
- IT and Systems support.

Corserv also operates the Notterbridge Training Centre that provides training to other group companies and external clients.

From April 2022, the recruitment and provision of agency staff services operating under the Jobline and Talent Tide brands also transferred to Corserv Ltd, from Cornwall Development Company.

Corserv income is derived from group service charges for the provision of these back office services together with the sales of training services and recruitment and provision of agency staff (from April 2022).

The company strategy is to recharge back office services at cost and realise a commercial return on Notterbridge Training and Jobline/Talent Tide activities.

Group Repairs and Maintenance Operations were transferred and consolidated into Corserv Facilities Ltd in April 2022. Corserv Care Ltd was incorporated in December 2020 but only started to trade with effect from April 2022.

Further details on Corserv Ltd and Corserv Group can be found in our Annual Share Report and Business Plan published on the Corserv website.

These financial statements relate to Corserv Ltd activities only. Corserv Ltd has elected not to produce consolidated Group accounts for this financial year. Consolidated Group results are included in our Parent Company accounts – Cornwall Council.

OUR VISION

Our Group vision of improving Cornish lives is woven through all of our activities and shapes our work ethic and our working practices. It is the reason that we exist and how we ultimately measure our success. Everything we do, through all of our businesses helps shape Cornwall and its economic growth either directly or, for our shared services through supporting the operations of our group companies.

OUR VALUES

Our values guide the way we work with our business partners, within our communities and with each other:

- Collaborative working and supporting each other to serve our communities
- Innovative always looking to improve and modernise
- Trusted we are open and honest and do what we say we'll do
- Positive we are optimistic and believe in doing the right thing

CORSERV LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

FUTURE DEVELOPMENTS

In March 2023, the Group agreed a new 4 year business plan with its shareholder Cornwall Council. Copies can be viewed on the Corserv website. The plan is focused on creating strong external growth for all of our commercial businesses; Corserv Facilities, Corserv Care and Cormac.

Together with stakeholders, we have agreed that Cornwall Housing should leave the Corserv Group. In the last year Altair, an expert housing consultancy, has completed a joint review for Corserv, CHL and Cornwall Council and recommended that its focus is narrowed to the housing management function alone so that it can concentrate on the many issues across the estate which need improving for tenants. CHL no longer have any commercial contracts and, alongside this consideration it has become clear, as part of the Regulator intervention, that the Governance arrangements are complex, and Cornwall Council cannot in reality delegate many accountabilities or budgetary control to Corserv. Therefore, the Council, Corserv and Cornwall Housing Board have agreed that it would make sense for CHL to remain a limited company but to report directly to Cornwall Council and leave the Group during 2023.

Whilst Cornwall Airport Limited (CAL) is growing in terms of new routes in and out of Cornwall and increasing passenger numbers, to really drive the greatest benefit to Cornwall serious investment needs to occur in its infrastructure. Leveraging the significant value in the estate surrounding the site, Cornwall Council are currently seeking an investment partner to both secure this funding and assume responsibility for ongoing revenue support to the Airport. It is expected that this will result in a new company structure for the Airport outside of the Corserv Group.

The remaining companies, Cormac, Corserv Care and Corserv Facilities will consolidate into one legal entity during 2023/24, creating a single company with clear commercial focus. To improve and simplify governance arrangements and to drive efficiencies in the corporate overhead, the support services currently operated by Corserv Ltd will also be transferred into the single company.

FINANCIAL SUMMARY

Revenue	22/23 £21.39 m (+20.24%) 21/22 £17.79m
Operating Profit/(Loss)	22/23 (£1.74m) (-597.14%) 21/22 £0.35m
Profit/(Loss) Before Tax	22/23 (£2.25m) (-266.67%) 21/22 £1.35m
Net Assets	22/23 £8.52m (-20.82%) 21/22 £10.76m
Cash	22/23 £1.25m (-20.89%) 21/22 £1.58m

Recognising the need to pump prime a number of changes to the operation, the company planned to run at a deficit in 22/23. The final position at £2.25m was substantially higher than expected. The financial plan for the year included a significant savings programme agreed with Cornwall Council, our ultimate shareholder. Whilst good progress was made in the year, the full target was not achieved. In addition to this, the Group implemented a new finance system in the early part of 2022/23. Additional costs experienced in implementing and stabilising this system have also contributed to the reported deficit.

A review conducted as part of the Group's business planning process for 2023/24 has seen the costs of the company's functions clearly scoped, fully budgeted and a new, clear and transparent model that fully recovers its full operational costs from subsidiary companies has been established. This will ensure that the company remains on a sound financial footing into the future.

CORSERV LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

GROUP RESTRUCTURE AND BASIS OF ACCOUNTS

In 2023/24 financial year the Corserv Group will undertake a significant restructure.

Our Business Plan for the coming four years is focused on creating strong external growth for all of our commercial businesses. Cornwall Housing Limited will leave the Group, reporting directly to Cornwall Council, with a clear remit to focus on its housing management function, improving accommodation standards and services for tenants. Leveraging the significant value in the estate surrounding the site, Cornwall Council are seeking an investment partner to both secure this funding and assume responsibility for ongoing revenue support to the Airport. This will result in a new company structure for the Airport outside of the Corserv Group.

To improve and simplify governance arrangements and to drive efficiencies in the corporate overhead, the company along with Corserv Care, Corserv Facilities, and Corserv Solutions will consolidate into one legal entity, that being Corserv Solutions Ltd, during 2023/24. Cormac Contracting Ltd will remain unchanged, supporting external growth plans.

Corserv Limited will, therefore cease to exist beyond the 2023/24 financial year. These accounts have, as a result been prepared on the basis that the company is not a going concern.

However, the activities of the company will continue unchanged, simply operating as a division within Corserv Solutions Limited; all assets will remain in use and transfer at net book value and no additional liabilities are expected. On this basis, the Directors have determined there to be no change in the valuation of assets associated with this basis of accounting.

Allied to the Group restructure Cornwall Council, as the ultimate shareholder has agreed a refinancing package that will support, ultimately Corserv Solutions Ltd moving forward. In 2023/24 we will see a £30m refinancing package to restructure existing debt into equity which will also see an improvement in working capital. A revised dividend policy will leave 50% earnings in the business for reinvestment. Taken together, these actions will immediately improve the standing of the business and support its longer term growth and development.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

RISK AND ASSURANCE

As part of the new governance structure for the Group, the Audit, Risk and Assurance Committee (ARAC) have worked with the Corserv board and management team to introduce a robust risk assurance framework to ensure risks are identified, assessed, managed and monitored appropriately.

As part of this process the company will adopt the well regarded Three Lines of Defence model, to ensure that adequate controls are in place and working effectively.

The Board have identified the following strategic risks that are being managed through this process:

Inflation	High inflation presents numerous cost challenges including wages, input prices and energy costs. Corserv may not be able to pass on the full effect of these rising costs to its customers. This could negatively impact on our ability to attract customers beyond the Council.
Attitudes to the environment and business	Increased expectations regarding carbon reduction. Plus social attitudes towards the environmental impact of flying and driving (people choosing to reduce their CO2 emissions). Greater social emphasis on non-financial measures of success like the creation of community value, environmental protection. Etc. Our ability to achieve carbon neutrality by 2030.
Health and Social Care Legislation	New legislation could provide new opportunities. Equally it may threaten the current business model of Corserv Care. Continued uncertainty over situation re policy.
Recruitment and retention (which impacts on staff workloads and our capacity to change/improve)	Our ability to recruit and retain people with the right skills and work ethic. The rising cost of living coupled with more flexible working (technology allowing people to work anywhere) and high demand for skilled employees means that this risk is increasing. Challenge of paying market rate given cost constraints.
Cash Reserves (potential going concern risk)	Cash reserves are low across the Group. This impacts on financial resilience and the viability of our financial plan (e.g. ability to make planned investments). Though this is partly mitigated by the financial guarantees provided by the shareholder.
Reliance on 'internal' income from the shareholder (potential going concern risk)	Most of the income for the Group comes from the shareholder. The lack of diverse income sources increases the risk of financial distress should income from the Council fall significantly (e.g. due to spending cuts). Cornac has external clients, but again these are concentrated into a small number.
Access to debt funding	The Group does not have access to credit markets and is reliant on the shareholder for loans. These can be costly. This impacts on capital investment.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

**STATEMENT BY THE DIRECTORS IN PERFORMANCE OF THEIR STATUTORY DUTIES IN
ACCORDANCE WITH S172 (1) OF THE COMPANIES ACT 2006**

The Board of Directors of Corserv Limited consider, both individually and together, that they have acted in the way they consider, in good faith would be most likely to promote the success of the Company for the benefit of its member (i.e. Cornwall Council) (having regard to the matters as set out within section 172 (1) (a) – (f) of the Companies Act 2006); in respect of this decisions taken during the year ended 31 March 2022.

In particular, by reference to the approval of the Group's 4 and 1 year Business Plans ('Business Plans') for the period 2022/23 to 2025/26. The Business Plans were approved via a decision of the Leader of Cornwall Council (implementation date 23/03/22). The Plans set out the Group's and the Company's priorities for the next four years. The Business Plans have been designed to have a long term beneficial commercial impact on the Group and the Company in general; and to contribute to the Group and the Company's success in delivering enhanced returns to its Shareholder and better quality services to its customers.

Our employees are fundamental to the delivery of our Business Plan. We aim to be a responsible employer in respect to our approach to employee benefits. The health, safety and well being of our employees are one of our primary considerations in the way we carry out business.

The Group and Company engage and work on a collaborative basis with its customers and suppliers on a regular basis; providing excellent customer service to our clients, delivering work on time and within budget to ensure customer satisfaction is high. The supply chain is fundamental to our ability to undertake our contractual commitments and therefore building new and maintaining existing supply chain relationships is key to our success. We are a highly respected Client whom our supply chain competes to work for. We adopt a partnering approach, through collaborative working, market engagement, operating honestly, fairly and openly with our supply chain.

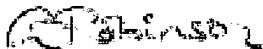
Throughout our Business Plan, there is commitment to increase the utilisation of local supply chain partners and to enhance the social value benefit that our supply chain expenditure brings to the economy of Cornwall.

The Board recognises the impact of the Group's and Company's operations on the community and environment and our wider societal responsibilities within the Southwest region.

As the Board of Directors, our intention is to behave responsibly and ensure that management operate the businesses in a responsible manner, operating with high standards of business conduct and good governance as would be expected of a Group/businesses of our scale.

As the Board of Directors, our intention is to behave responsibly towards our Shareholder, to treat our Shareholder fairly so that they may benefit from the successful delivery of our Business Plans.

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



C J Robinson
Director

Date: 8 September 2023

CORSERV LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

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

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £2,239,000 (2022: profit £1,350,000).

There were no dividends (2022: £1,340,000) declared or paid by the company during the year.

DIRECTORS

The directors who served during the year were:

P R Andrew
S G Ashby (appointed 1 January 2023)
P A Cooper (appointed 22 August 2022)
J M Gregory
M W Hanrahan
T A Jeans
C J Robinson
V J Horton (appointed 1 April 2022, resigned 8 February 2023)
P J Mawston (resigned 8 April 2022)
R S Morton (appointed 1 April 2022, resigned 22 August 2022)

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.

POST BALANCE SHEET EVENTS

In 2023/24 financial year the Corserv Group will undertake a significant restructure. Details of the planned changes and the impact on these financial statements is set out in the Strategic report.

AUDITORS

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



C J Robinson
Director

Date: 8 September 2023

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORSERV LIMITED

OPINION

We have audited the financial statements of Corserv Limited (the 'Company') for the year ended 31 March 2023, which comprise the Statement of income and retained earnings, the Statement of financial position and the related notes, 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 '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 loss 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

EMPHASIS OF MATTER - FINANCIAL STATEMENTS PREPARED ON A BASIS OTHER THAN GOING CONCERN

We draw attention to note 2.4 in the financial statements, which discloses that the trade and assets of the company will be transferred into another group entity post year end. Accordingly, the financial statements have been prepared on a basis other than going concern. No adjustments to the financial statements have been required as a result of this change. Our opinion is not modified in respect of this matter.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORSERV LIMITED (CONTINUED)

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

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 Strategic report or 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.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement set out on page 8, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORSERV LIMITED (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the industry and sector, control environment and financial performance;
- We have considered the results of enquiries with management and the directors in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the Company for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut-off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, FRS 102 and UK tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or avoid a material penalty. These include data protection legislation, health and safety regulations, environmental regulations and employment law.

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around the year-end cut off including the agreement of year end balances with Cornwall Council and other Corserv group companies; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries, and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of the business.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements,

CORSERV LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORSERV LIMITED (CONTINUED)

recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an 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 would 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.



Robert Davey FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN
Date: 22 September 2023

CORSERV LIMITED

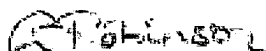
**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £000	2022 £000
Turnover		21,389	17,794
Cost of sales		(7,366)	(3,146)
Gross profit		14,023	14,648
Administrative expenses		(15,762)	(14,298)
Operating (loss)/profit	3	(1,739)	350
Income from shares in group undertakings		-	1,340
Interest receivable and similar income	7	423	472
Interest payable and similar expenses	8	(934)	(812)
(Loss)/profit before tax		(2,250)	1,350
Tax on (loss)/profit	9	11	-
(Loss)/profit after tax		(2,239)	1,350
Retained earnings at the beginning of the year		2,759	2,749
		2,759	2,749
(Loss)/profit for the year		(2,239)	1,350
Dividends declared and paid		-	(1,340)
Retained earnings at the end of the year		520	2,759
The notes on pages 15 to 31 form part of these financial statements.			

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	11	1,431	1,640
Tangible assets	12	108	131
Investments	13	7,500	7,500
		<u>9,039</u>	<u>9,271</u>
Current assets			
Stocks	14	158	174
Debtors: amounts falling due after more than one year	15	-	4,950
Debtors: amounts falling due within one year	15	21,210	13,122
Cash at bank and in hand	16	1,251	1,547
		<u>22,619</u>	<u>19,793</u>
Creditors: amounts falling due within one year	17	(23,062)	(18,181)
Net current (liabilities)/assets		<u>(443)</u>	<u>1,612</u>
Total assets less current liabilities		<u>8,596</u>	<u>10,883</u>
Provisions for liabilities			
Other provisions	18	(76)	(124)
		<u>(76)</u>	<u>(124)</u>
Net assets		<u><u>8,520</u></u>	<u><u>10,759</u></u>
Capital and reserves			
Called up share capital	19	8,000	8,000
Profit and loss account	20	520	2,759
		<u><u>8,520</u></u>	<u><u>10,759</u></u>

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



C J Robinson

Director

Date: 8 September 2023

The notes on pages 15 to 31 form part of these financial statements.

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

1. GENERAL INFORMATION

The company (registered number 09598549) is a private company, limited by shares and registered in England and Wales. The registered office address is Western Group Centre, Radnor Road, Scorrier, Redruth, Cornwall, England, TR16 5EH

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 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.

The following principal accounting policies have been applied:

2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Cornwall Council as at 31 March 2023 and these financial statements may be obtained from Cornwall Council.

2.3 EXEMPTION FROM PREPARING CONSOLIDATED FINANCIAL STATEMENTS

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2. ACCOUNTING POLICIES (continued)

2.4 GOING CONCERN

In 2023/24 financial year the Corserv Group will undertake a significant restructure.

To improve and simplify governance arrangements and to drive efficiencies in the corporate overhead, the company along with Corserv Facilities, Corserv Care and Corserv Solutions will consolidate into one legal entity, that being Corserv Solutions Ltd, during 2023/24. Cormac Contracting Ltd will remain unchanged, supporting external growth plans.

Corserv Limited will, therefore cease to exist beyond the 2023/24 financial year. These accounts have, as a result been prepared on the basis that the company is not a going concern. The Directors have determined there to be no change in the valuation of assets associated with this basis of accounting as assets are expected to transfer at book value.

2.5 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

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

2. ACCOUNTING POLICIES (continued)

2.7 INTEREST INCOME

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

2.8 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.

2.9 BORROWING COSTS

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

2.10 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds

DEFINED BENEFIT PENSION PLAN

The company participates in the local government pension scheme for certain employees, a defined benefit scheme managed by Cornwall Council. The assets of the scheme are invested independently of the finances of the company. Contributions are made to the scheme in accordance with recommendations of an independent actuary in respect of current and future service.

There is a Deed of Guarantee from Cornwall Council that confirms that Cornwall Council remains liable for any deficit in the local government pension scheme. The contributions payable to the scheme are agreed with the Council. Therefore, the scheme is accounted for by the company as if it were a defined contribution scheme.

2.11 TAXATION

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2. ACCOUNTING POLICIES (continued)

2.12 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Capitalised software	-	3 to 5 years
Software under development	-	Not amortised

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

2. ACCOUNTING POLICIES (continued)

2.13 TANGIBLE FIXED ASSETS

Tangible fixed assets other than freehold property are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Long-term leasehold property improvements	- 10% per annum or over the life of the lease
Plant and machinery	- 3% to 33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.16 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.

2.17 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.18 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.

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

2. ACCOUNTING POLICIES (continued)

2.19 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.20 FINANCIAL INSTRUMENTS

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Statement of financial position 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 trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of

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

2. ACCOUNTING POLICIES (continued)

2.20 FINANCIAL INSTRUMENTS (continued)

the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

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 the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

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

CORSERV LIMITED

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

2. ACCOUNTING POLICIES (continued)

2.21 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

3. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging:

	2023	2022
	£000	£000
Depreciation	23	22
Amortisation	658	266
Auditors fees	14	13
	=====	=====

4. AUDITORS' REMUNERATION

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

CORSERV LIMITED

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

5. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	2023 £000	2022 £000
Wages and salaries	8,609	5,674
Social security costs	820	548
Cost of defined contribution scheme	578	541
	<u>10,007</u>	<u>6,763</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2023 No.	2022 No.
Director	10	11
Operations	129	126
Administration	20	27
Jobline Temporary Agency Staff	97	-
	<u>256</u>	<u>164</u>

On 1st April 2022, Jobline and Talent Tide services providing temporary agency staff and recruitment placement services transferred to Corserv Limited from Cornwall Development Company Limited.

On 1 July 2023, Operations and Administration staff were transferred out of the company to Cormac Solutions Limited.

6. DIRECTORS' REMUNERATION

	2023 £000	2022 £000
Directors' emoluments	462	380
Directors' pension contributions	40	39
	<u>502</u>	<u>419</u>

During the year retirement benefits were accruing to 3 directors (2022: 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £157,000 (2022: £154,000).

The value of the Company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £33,000 (2022: £32,000).

The above amount is the total cost of Directors' remuneration, 60% (2022: 50%) of this amount is recharged to group companies.

CORSERV LIMITED

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

7. INTEREST RECEIVABLE

	2023 £000	2022 £000
Interest receivable from group companies	423	472
	423	472

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023 £000	2022 £000
Loans from group undertakings	934	812
	934	812

9. TAXATION

	2023 £000	2022 £000
Corporation tax		
Adjustments in respect of previous periods	(11)	-
	(11)	-
Total current tax	(11)	-
Total deferred tax	-	-
Taxation on (loss)/profit on ordinary activities	(11)	-

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

9. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2022: lower than) the standard rate of corporation tax in the UK of 19% (2022: 19%). The differences are explained below:

	2023 £000	2022 £000
(Loss)/profit on ordinary activities before tax	(2,250)	1,350
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	(428)	257
Effects of:		
Capital allowances for year in excess of depreciation	(25)	(59)
Non-taxable income	-	(255)
Adjustment to tax charge in respect of previous periods	(11)	-
Remeasurement of deferred tax for changes in tax rates	(143)	(23)
Movement in deferred tax not recognised	596	80
Total tax charge/(credit) for the year	(11)	-

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

From 1 April 2023, the main rate of corporation tax will increase to 25%.

10. DIVIDENDS

	2023 £000	2022 £000
Dividends paid	-	1,340
	-	1,340

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

11. INTANGIBLE ASSETS

	Software under dev'pment £000	Computer software £000	Total £000
Cost			
At 1 April 2022	-	2,129	2,129
Additions	105	342	447
At 31 March 2023	105	2,471	2,576
Amortisation			
At 1 April 2022	-	487	487
Charge for the year on owned assets	-	658	658
At 31 March 2023	-	1,145	1,145
Net book value			
At 31 March 2023	105	1,326	1,431
At 31 March 2022	-	1,643	1,643

CORSERV LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023****12. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £000	Plant and machinery £000	Total £000
Cost			
At 1 April 2022	171	20	191
At 31 March 2023	171	20	191
Depreciation			
At 1 April 2022	51	9	60
Charge for the year on owned assets	17	6	23
At 31 March 2023	68	15	83
Net book value			
At 31 March 2023	103	5	108
At 31 March 2022	120	11	131

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

13. FIXED ASSET INVESTMENTS

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Cormac Solutions Limited	Western Group Centre, Radnor Road, Scorrier, Redruth, Cornwall, TR16 5EH	Ordinary	100%
Cornwall Housing Limited	Chy Tревail, Beacon Technology Park, Bodmin, Cornwall, England, PL31 2FR	Voting rights	NA%
Cornwall Airport Limited	St Mawgan House Cornwall Airport Newquay, Carloggas, St Mawgan, Newquay, Cornwall, TR8 4RQ	Ordinary	100%
Cornwall Development Company Limited	Bickford House Station Road, Pool, Redruth, Cornwall, TR15 3QG	Voting rights	NA%
Rural Economic Partnership Limited	Bickford House Station Road, Pool, Redruth, Cornwall, TR15 3QG	Ordinary	100%
Cormac Contracting Limited	Western Group Centre, Radnor Road, Scorrier, Redruth, Cornwall, TR16 5EH	Ordinary	100%
Corserv Facilities Limited	Western Group Centre, Radnor Road, Scorrier, Redruth, Cornwall, TR16 5EH	Ordinary	100%
Corserv Care Limited	Western Group Centre, Radnor Road, Scorrier, Redruth, Cornwall, TR16 5EH	Ordinary	100%

In addition to the above, Corserv Limited is a designated member of Treveth Holdings LLP and Perran Housing LLP.

14. STOCKS

	2023 £000	2022 £000
Fuel stock	158	174
	158	174

CORSERV LIMITED

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

15. DEBTORS

	2023 £000	2022 £000
Due after more than one year		
Amounts owed by group undertakings	-	4,950
	2023 £000	2022 £000
Due within one year		
Trade debtors	327	118
Amounts owed by group undertakings	19,813	12,119
Other debtors	461	290
Prepayments and accrued income	609	595
	21,210	13,122

16. CASH AND CASH EQUIVALENTS

	2023 £000	2022 £000
Cash at bank and in hand	1,251	1,547

17. CREDITORS: Amounts falling due within one year

	2023 £000	2022 £000
Loans with group undertakings	20,000	14,250
Trade creditors	536	619
Amounts owed to group undertakings	1,979	2,656
Corporation tax	-	11
Other taxation and social security	160	143
Other creditors	63	61
Accruals and deferred income	324	441
	23,062	18,181

Loans with group undertakings include amounts repayable on 31 March 2024, interest is payable at 5.7%.

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

18. PROVISIONS

	Provision for staff costs £000
At 1 April 2022	124
Charged to profit or loss	(48)
At 31 March 2023	76

19. SHARE CAPITAL

	2023 £000	2022 £000
Allotted, called up and fully paid		
8,000,002 (2022: 8,000,002) ordinary shares of £1.00 each	8,000	8,000

20. RESERVES

Profit and loss account

Profit and loss account comprises of all current and prior period accumulated profits and losses after dividends paid.

21. PENSION COMMITMENTS

Defined Contribution Pension Scheme

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £233,000 (2022: £189,000). Contributions totalling £24,000 (2022: £24,000) were payable to the fund at the reporting date and are included in creditors.

Some employees of the company are members of the Cornwall Council LGPS, a multi-employer scheme administered by Cornwall Council under the regulations governing the Local Government Pension Scheme, a defined benefit scheme. A pension pass through arrangement is in place with Cornwall Council whereby the council is liable to the pension fund for the historic and future liabilities and assets of the scheme in respect of these employees with contribution rates set by the actuary of the Cornwall Council LGPS. In line with guidance issued under FRS 102, the scheme is therefore accounted for as if it were a defined contribution pension scheme. The pension cost charge represents contributions payable by the company to the fund. The total contributions made were £474,000 (2022: £490,000) of which employer contributions were £345,000 (2022: £352,000) and employee contributions were £129,000 (2022: £138,000). Contributions totalling £40,000 (2022: £40,000) were payable to the fund at the reporting date and are included in creditors.

22. POST BALANCE SHEET EVENTS

See note 2.4 for details of post balance sheet events.

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

23. RELATED PARTY TRANSACTIONS

There are no key management outside of the Directors. Details of Directors' remuneration can be seen in Note 6 to the financial statements.

The consolidated financial statements of Corserv Limited have taken advantage of the exemption in Financial Reporting Standard 102 Section 33.1A in not disclosing intra group transactions where 100% of the voting rights are controlled within the group.

24. CONTROLLING PARTY

Cornwall Council, the direct parent undertaking, is considered the ultimate controlling party due to its 100% shareholding of the company.