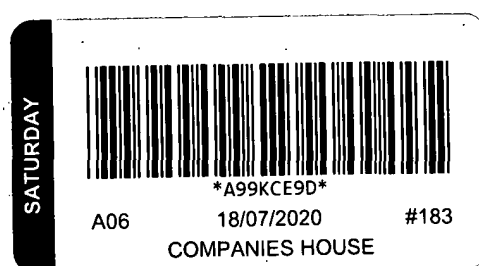


Registered number 10260072

ROCK RAIL HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



ROCK RAIL HOLDINGS LIMITED

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ROCK RAIL HOLDINGS LIMITED

COMPANY INFORMATION

Directors

M R Swindell
A J Stringer

Company secretary

M E Grace-Swindell

Registered number

10260072

Registered office

Capital Tower
91 Waterloo Road
London
SE1 8RT

Independent auditor

KPMG LLP
15 Canada Square
London
E14 5GL

ROCK RAIL HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Review of Business

The principal activities of Rock Rail Holdings Limited Group ("the Group") are the development and asset management of large scale greenfield rolling stock and rail infrastructure projects, providing investible opportunities for institutional equity and debt, whilst ensuring the long term alignment of commercial and financial interests and value for government, operators and the end consumer.

Results and performance

The results for the year are set out on pages 12 and 13 and show a profit on ordinary activities before tax of £9,695,023 (2018: £2,389,556). The shareholder funds of the Group total £23,393,551 (2018: £15,886,443). The Group's operation and performance has been encouraging. Rail infrastructure, in particular the provision of rolling stock has been the primary focus for the year and the source of much success.

During the year the Group secured a further 15% holding in the Intercity Express Programme (IEP) West alongside its consortia partners Dalmore Capital, Equitix Investment Management and Japan Infrastructure Initiative taking the total holding to 45%. In August 2019 the Group was awarded the financing deal for provision of new rolling stock by Abellio UK for use on the East Midlands franchise. Circa £400m was raised from institutional investors to supply a fleet of 33 state of the art bi-mode trains manufactured by Hitachi Rail that will be greener and quieter than the diesel trains it replaces. In December 2019 the Group continued its success raising a further £350m of funding for the provision of new Hitachi Intercity trains for the West Coast Partnership rail franchise. The 135-vehicle fleet comprising 10 seven-carriage electric trains and 13 five-carriage bi-mode trains will be built at Hitachi's Newton Aycliffe factory supporting businesses and workforces across the UK supply chain.

Strategy

The Group's success is dependent on the identification and delivery of investible greenfield infrastructure solutions with the right risk and return profiles that match the needs of Government, operator, manufacturer and end consumer. It does this through its innovative approach to funding and the specialist expertise of its staff, together with its understanding of the investment community's needs and its long term commitment to invest alongside them. It remains committed to ensuring that Government and the end consumer get best value.

The Group will continue to build its position in the rail sector whilst expanding equivalent services in other infrastructure markets that meet similar investment criteria. Concurrently it will continue to manage the long-term value of its assets through its sector expertise.

ROCK RAIL HOLDINGS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Key performance indicators

KPIs fall into three categories and reflect the strategic priorities of the business:

- **Financial**

Operating cash flow is a key focus. The nature of infrastructure is that revenues can be lumpy and as such, management focus is on ensuring that in the intervening periods between deals, sufficient working capital is in place to fund the business. Management regularly monitors future operational cash flow needs.

- **Origination**

Management conduct regular review of the pipeline of new business opportunities focusing on strategic rationale, value, timing, resource requirements and likelihood of closure.

- **Asset Management**

Construction risk is actively managed and reported to the individual boards of the project companies on a monthly basis applying a RAG framework and delivery timetables as regularly monitored against contractual obligations. An annual evaluation of residual value risk is undertaken reflecting projected future cashflows and a range of associated risk factors specific to the asset and franchise as well as other more general market factors.

Principal risks and uncertainties

The process of risk acceptance and risk management is addressed through a framework of delegated authority and board approvals. Every investment opportunity undergoes extensive due diligence before approval with a key focus on possible constructional, operational or technology risk that could in any way damage the long-term value of the investment. The Group hires sector experts to continually monitor and mitigate any identified risks on behalf of the investors. There are formal monthly meetings where any such risks are reviewed and actions agreed during the life-time of the asset. Rock contracts with specialist legal, financial and modelling experts to ensure that its interests are protected.

Covid-19

The Directors are considering the effects of Covid-19 and its impact on Group's projects. Despite the delays to some projects, the Directors consider that the Group is well positioned to manage risk during this period of economic uncertainty and is able to realise its assets and discharge its liabilities and commitments in the normal course of business.

ROCK RAIL HOLDINGS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Going concern

The Statement of Comprehensive income shows a profit of £7,814,384 (2018: £1,935,968) and the Statement of Financial Position at 31 December 2019 shows net assets of £23,393,551 (2018: £15,886,443). The Directors have prepared the financial statements on a going concern basis which require the Directors to have a reasonable expectation that the Company has adequate resources to continue existence for the foreseeable future and is considered in more detail in note 2.3 of the accounts.

Future development

Rock has proven capabilities in delivering complex greenfield infrastructure financing solutions and is exceptionally well placed to expand both within and outside the rail sector. The pipeline for future infrastructure opportunities is strong and the Board is confident that it can deliver many projects over the coming years. It continues to hire exceptional talent with project finance and technical and commercial sector experience to enable it both to exploit these opportunities and to protect the assets that have been acquired.

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

Mark Swindell

M R Swindell
Director

Date: 03/07/2020

ROCK RAIL HOLDINGS LIMITED

GROUP DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors present their report and the financial statements for the year ended 31 December 2019.

Principal activity

The principal activities of the Group are the development and asset management of large greenfield infrastructure projects, providing investible opportunities for institutional equity and debt ensuring the long-term alignment of commercial and financial interests and value for government, operators and the end consumer. The business focus includes rolling stock and rail infrastructure projects.

Directors

The Directors of the Company at 31 December 2019 and subsequent to the year end are listed on page 2.

Results and dividend

The profit for the year, after taxation and minority interests, amounted to £7,814,384 (2018: £1,935,968).

The Directors recommend the dividend payment of £335,000 (2018: no dividend).

Matters covered in the Strategic Report

A review of the business and principal risks and uncertainties are not shown in the Directors' Report as this information is included within the Strategic Report under s.414c(11) of the Companies Act 2006.

Political contributions

The Group made no political donations or incurred any political expenditure during the year.

Disclosure of information to auditor

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

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

ROCK RAIL HOLDINGS LIMITED

GROUP DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditor

The auditor, KPMG 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.

Mark Swindell

M R Swindell
Director

Date: 03/07/2020

Capital Tower
91 Waterloo Road
London
SE1 8RT

ROCK RAIL HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors are responsible for preparing the Annual Report, 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 they have elected to prepare the Group and parent Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROCK RAIL HOLDINGS LIMITED

Opinion

We have audited the financial statements of Rock Rail Holdings Limited ("the Company") for the year ended 31 December 2019 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2019 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the Company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROCK RAIL HOLDINGS LIMITED (CONTINUED)

Strategic Report and Directors' Report

The Directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic Report and the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic Report and the Directors' Report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent 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 they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROCK RAIL HOLDINGS LIMITED (CONTINUED)


Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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



Mark Smith (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
Date: 8 July 2020

ROCK RAIL HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
Turnover	4	13,239,489	5,515,951
Cost of sales		(247,388)	(402,506)
Gross profit		12,992,101	5,113,445
Administrative expenses		(4,460,818)	(3,425,723)
Operating profit		8,531,283	1,687,722
Interest receivable and similar income	8	1,182,791	940,132
Interest payable and similar charges	9	(17,053)	(238,298)
Share of after tax losses in investment	13	(1,998)	-
Profit before taxation		9,695,023	2,389,556
Tax on profit	10	(1,880,639)	(453,588)
Profit for the financial year		7,814,384	1,935,968
Total comprehensive income for the year		7,814,384	1,935,968
Profit for the year attributable to:			
Non-controlling interests		50,812	30,103
Owners of the parent Company		7,763,572	1,905,865
		7,814,384	1,935,968

There were no recognised gains or losses during the year other than as recorded in the Statement of Comprehensive Income.

The notes on pages 18 to 34 form an integral part of these financial statements.

ROCK RAIL HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

		2019	2018
	Notes	£	£
Fixed Assets			
Tangible assets	12	17,483	17,614
Investments	13	1,995,456	1,347,788
		<u>2,012,939</u>	<u>1,365,402</u>
Current assets			
Debtors: including £24,985,315 (2018: £17,546,536) falling due after more than one year	15	25,821,650	18,151,854
Cash at bank		3,576,196	2,324,047
		<u>29,397,846</u>	<u>20,475,901</u>
Creditors: amounts falling due within one year	16	(4,006,556)	(2,056,418)
Net current assets		<u>25,391,290</u>	<u>18,419,483</u>
Total assets less current liabilities		<u>27,404,229</u>	<u>19,784,885</u>
Creditors: amounts falling due after more than one year	17	(4,010,678)	(3,898,442)
Net assets		<u>23,393,551</u>	<u>15,886,443</u>
Capital and reserves			
Called up share capital	20	118	111
Share Premium	20	27,717	-
Profit and loss account	21	22,659,800	15,231,228
Equity attributable to owners of the parent Company		<u>22,687,635</u>	<u>15,231,339</u>
Non-controlling interests		705,916	655,104
		<u>23,393,551</u>	<u>15,886,443</u>

The notes on pages 18 to 34 form an integral part of the financial statements.

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

M R Swindell

M R Swindell
Director

Date: 03/07/2020

Registration number 10260072

ROCK RAIL HOLDINGS LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

		2019	2018
	Notes	£	£
Fixed Assets			
Tangible assets	12	17,483	17,614
Investments	13	348,780	235,466
Total fixed assets		366,263	253,080
Current assets			
Debtors: amounts falling due within one year	15	4,642,221	3,616,571
Cash at bank and in hand		1,040,140	1,512,631
		5,682,361	5,129,202
Creditors: amounts falling due within one year	16	(1,723,967)	(2,536,600)
Net current assets		3,958,394	2,592,602
Total assets less current liabilities		4,324,657	2,845,682
Creditors: amounts falling due after more than one year	17	(809)	(8,810)
Net assets		4,323,848	2,836,872
Capital and reserves			
Called up share capital	20	118	111
Share Premium	20	27,717	-
Retained earnings	21	4,296,013	2,836,761
Shareholders' funds		4,323,848	2,836,872

The notes on pages 18 to 34 form an integral part of the financial statements.

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

Mark Swindell

M R Swindell
Director

Date: 03/07/2020

Registration number 10260072

ROCK RAIL HOLDINGS LIMITED**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share Premium	Profit and loss account	Non- controlling interests	Total equity
	£	£	£	£	£
Balance at 1 January 2019	111	-	15,231,228	655,104	15,886,443
Shares issued during the year	7	27,717	-	-	27,724
Total comprehensive income for the year	-	-	7,763,572	50,812	7,814,384
Dividends paid	-	-	(335,000)	-	(335,000)
Balance at 31 December 2019	118	27,717	22,659,800	705,916	23,393,551

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Share Premium	Profit and loss account	Non- controlling interests	Total equity
	£	£	£	£	£
Balance at 1 January 2018	111	-	13,325,363	625,001	13,950,475
Total comprehensive income for the year	-	-	1,905,865	30,103	1,935,968
Balance at 31 December 2018	111	-	15,231,228	655,104	15,886,443

The notes on pages 18 to 34 form an integral part of the financial statements.

ROCK RAIL HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital	Share Premium	Profit and loss account	Total equity
	£	£	£	£
Balances at 1 January 2019	111	-	2,836,761	2,836,872
Shares issued during the year	7	27,717	-	27,724
Total comprehensive income for the year	-	-	1,794,252	1,794,252
Dividends paid	-	-	(335,000)	(335,000)
Balances at 31 December 2019	118	27,717	4,296,013	4,323,848

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital	Share Premium	Profit and loss account	Total equity
	£	£	£	£
Balances at 1 January 2018	111	-	1,528,612	1,528,723
Total comprehensive income for the year	-	-	1,308,149	1,308,149
Balances at 31 December 2018	111	-	2,836,761	2,836,872

The notes on pages 18 to 34 form an integral part of the financial statements.

ROCK RAIL HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	7,814,384	1,935,968
Adjustments for:		
Depreciation of tangible assets	11,446	8,254
Share of loss in investment	1,998	-
Interest paid	17,053	238,298
Interest received	(1,182,791)	(940,132)
Taxation charge	1,880,639	453,588
Decrease/(increase) in debtors	2,185	(229,016)
Increase in amounts owed by participating interests	(7,696,927)	(1,700,834)
Increase in creditors	254,045	1,432,925
Corporation tax paid	(571,314)	(2,470,403)
Net cash generated from/(utilised in) operating activities	530,718	(1,271,352)
 Net cash flows from investing activities		
Cash flows from investing activities		
Purchase of tangible fixed assets	(11,315)	(10,645)
Purchase of unlisted and other investments	(649,666)	(1,338,680)
Interest received	1,003,733	940,132
Net cash generated from/(utilised in) investing activities	342,752	(409,193)
 Cash flows from financing activities		
Senior Debt	395,732	820,936
Interest paid	(17,053)	(238,298)
Net cash generated from financing activities	378,679	582,638
Net increase/(decrease) in cash and cash equivalents	1,252,149	(1,097,907)
Cash and cash equivalents at beginning of year	2,324,047	3,421,954
Cash and cash equivalents at the end of the year	3,576,196	2,324,047
 Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	3,576,196	2,324,047
	3,576,196	2,324,047

The notes on pages 18 to 34 form an integral part of the financial statements.

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Rock Rail Holdings Limited and its subsidiary companies are private companies limited by shares, incorporated and domiciled in England in the United Kingdom. Details of the company's registered office and principal place of business can be found on the company information page of these financial statements.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1.

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 Group management to exercise judgement in applying the Group's accounting policies (see note 3).

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquirer's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The parent company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company's financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included; and
- Key Management Personnel compensation has not been included a second time.
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS102.12 Other Financial Instrument Issue in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on the going concern basis which the Directors consider appropriate for the reasons outlined below and where they have reviewed cash flow forecasts for a period of 12 months from the date of signing these financial statements. The Group has made a profit for the year of £7,814,384 (2018: £1,935,968) and has net assets of £23,393,551 (2018: £15,886,443). The Directors have reviewed the Group's operations and made an assessment of the Group's ability to continue as a going concern and are satisfied that the Group has the resources available to continue in operation for the foreseeable future and at least 12 months from the date of approval of these financial statements.

In preparing these forecasts, the Directors considered the uncertainty of Covid-19 and its impact on short and medium term cash liquidity. Under both its base-case scenario and reasonably plausible downside scenarios, the Directors consider that the Group is well positioned to manage risk during this period of economic uncertainty and is able to realise its assets and discharge its liabilities and commitments in the normal course of business. The Directors conclude that the cash reserves in place gives them confidence that the going concern basis remains appropriate.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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:

Development Fee Income is only recognised on the successful financial close of the transaction to which it relates, as up to this point, there remains uncertainty to the deliverability of the contract.

Management services income is recognised on an invoiced basis which is deemed to be consistent with the delivery of these services.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model 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.

Depreciation is provided on the following basis:

Fixtures and fittings	3 years
Computed and equipment	3 years

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

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 the Consolidated Statement of Comprehensive Income.

2.6 Valuation of investments

Investments are stated at fair value in the financial statements of the Company.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.7 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.

2.8 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.8 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

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 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income 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.

2.11 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income 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 Group in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position 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.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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 and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During the year the group did not apply any significant judgements or any uncertain estimates.

4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Consultancy services	13,239,489	5,515,951

All turnover arose within the United Kingdom.

5. Auditor's remuneration

	2019 £	2018 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	14,950	14,250
Fees payable to the auditor of Rock Rail East Anglia Management Ltd	5,775	5,500
Fees payable to the auditor of Rock Rail Management Services Ltd	5,775	10,750
Fees payable to the auditor of Rock Rail Moorgate Management Ltd	5,775	5,500
Fees payable to the auditor of Rock Rail East Midlands Management Ltd	5,775	-
Fees payable to the auditor of Rock Rail West Coast Management Ltd	5,775	-
Fees payable to the auditor of Apple HoldCo (R) Limited	4,200	-
Fees payable to the auditor of Rolling Stock Investment No 1 Limited	5,000	-
	<u>53,025</u>	<u>36,000</u>

6. Employees

Group and Company

	2019 £	2018 £
Wages and salaries	3,043,414	2,198,245
Social security costs	415,088	230,757
Cost of defined contribution scheme	80,740	63,387
	<u>3,539,242</u>	<u>2,492,389</u>

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

6. Employees (continued)

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

	2019 No	2018 No
Directors	2	2
Employees	20	17
	<u>22</u>	<u>19</u>

7. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	851,000	530,000
Company contributions to defined contribution pension schemes	15,120	15,120
	<u>866,120</u>	<u>545,120</u>

The highest paid director received remuneration of £675,000 (2018: £375,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,000 (2018: £10,000).

8. Interest receivable

	2019 £	2018 £
Interest receivable from Rock Rail East Anglia (Holdings) 2 Limited	328,977	312,090
Interest receivable from Rock Rail Moorgate (Holdings) Limited	242,283	216,956
Interest receivable from Rock Rail South Western (Holdings) 2 Limited	481,542	399,458
Interest receivable from Rock Rail Apple Bidco 1 Limited	98,134	2,618
Interest receivable from Rock Infrastructure Limited	23,215	-
Other interest receivable	8,640	9,010
	<u>1,182,791</u>	<u>940,132</u>

9. Interest payable and similar charges

	2019 £	2018 £
Other loan interest payable	<u>17,053</u>	<u>238,298</u>

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

10. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	1,867,961	483,052
Adjustments in respect of previous periods	(13,076)	(4,519)
Total current tax	1,854,885	478,533
Deferred tax		
Origination and reversal of timing differences (note 19)	12,880	(13,304)
Adjustments in respect of previous periods	12,874	(11,641)
Total deferred tax	25,754	(24,945)
Taxation on profit on ordinary activities	1,880,639	453,588

Factors affecting tax charge for the year

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

	2019 £	2018 £
Profit on ordinary activities before tax	9,695,023	2,389,556
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	1,842,054	454,016
Effects of:		
Expenses not deductible for tax purposes	40,302	14,167
Effect of change in corporation tax rate	(1,515)	1,565
Adjustment from previous years	(202)	(16,160)
Total tax charge for the year	1,880,639	453,588

Factors that may affect future tax charges

Reductions in the UK Corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The deferred tax asset at 31 December 2019 has been calculated based on these rates substantively enacted at the Statement of Financial Position date.

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

11. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £1,794,252 (2018: £1,308,149).

12. Tangible fixed assets

Group and Company	Fixture and fittings	Computer equipment	Total
	£	£	£
<i>Cost or valuation</i>			
At 1 January 2019	3,605	26,900	30,505
Additions	-	11,315	11,315
At 31 December 2019	3,605	38,215	41,820
<i>Depreciation</i>			
At 1 January 2019	953	11,938	12,891
Charge for the year	1,201	10,245	11,446
At 31 December 2019	2,154	22,183	24,337
<i>Net book value</i>			
At 31 December 2019	1,451	16,032	17,483
At 31 December 2018	2,652	14,962	17,614

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

13. Fixed asset investments

Group	Unlisted investments £
Cost or valuation	
At 1 January 2019	1,347,788
Additions	649,666
Share of loss in investments	(1,998)
At 31 December 2019	<u>1,995,456</u>
Net book value	
At 31 December 2019	<u>1,995,456</u>
At 31 December 2018	<u>1,347,788</u>

The group owns 6.1 % of Rock Rail Moorgate (Holdings) Limited, 6.1 % of Rock Rail East Anglia (Holdings) 1 Limited, 6.1% of Rock Rail East Anglia (Holdings) 1 Limited and 0.55% of Apple Bidco 1 Limited, companies incorporated in England.

During the year the Group acquired 4% of East Midlands (Holdings) 1 Limited by virtue of its 6.81% shareholding of Rolling Stock Investment No1 Limited and 6.27% of Rock Rail West Coast (Holdings) 1 Limited. Both companies are incorporated in England.

As a result of indirect ownership of East Midlands (Holdings) 1 Limited 4% of loss of £1,998 of East Midlands (Holdings) 1 Limited group's is included in the Comprehensive income of the RRH Group and offset against the investment.

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2019	235,466
Additions	113,314
At 31 December 2019	<u>348,780</u>
Net book value	
At 31 December 2019	<u>348,780</u>
At 31 December 2018	<u>235,466</u>

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

14. Subsidiary undertaking

The following company was a subsidiary undertaking of the Company:

Name	Class of shares	Holding	Principal activity
Rock Rail Moorgate Management Limited	A	90%	Infrastructure projects
Rock Rail East Anglia Management Limited	A	90%	Infrastructure projects
Rock Rail Management Services Limited	A	100%	Infrastructure projects
Rock Rail East Midlands Management Limited	A	100%	Infrastructure projects
Rock Rail West Coast Management Limited	A	100%	Infrastructure projects
Rock Rail Europe Limited	A	100%	Infrastructure projects
Apple HoldCo (R) Limited	A	100%	Infrastructure projects
Apple Finco (R) Limited	A	100%	Infrastructure projects

The registered office of all of the subsidiary companies is Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT.

15. Debtors

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade debtors	100,823	37,276	100,823	37,276
Amounts owed by group undertakings	-	-	4,077,488	3,044,819
Loan notes	25,280,349	17,583,424	-	-
Other debtors	364,706	407,239	364,706	407,239
Prepayments and accrued income	75,772	98,970	99,204	102,292
Deferred taxation	-	24,945	-	24,945
	25,821,650	18,151,854	4,642,221	3,616,571

Amounts owed by group undertakings are interest bearing and repayable on demand with the exception of a loan of £1,955,727 (2018: £1,332,509) due from Apple Finco (R) Limited maturing in November 2044 with interest at 7%.

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

15. Debtors

Loan notes: Amounts due after more than one year

	Nominal interest rate	Year of maturity	Repayment schedule	2019 £	2018 £
Rock Rail Moorgate (Holdings) Limited	2.0% rising to 9.25%	2047	30 instalments commencing March 2019	3,008,334	2,963,666
Rock Rail East Anglia (Holdings) 2 Limited	2.0% rising to 7.00%	2037	21 instalments commencing March 2027	5,957,498	5,737,080
Rock Rail South Western (Holdings) 2 Limited	2.0% rising to 7.00%	2035	23 instalments commencing March 2024	8,048,875	7,793,258
Rock Rail East Midlands (Holdings) 2 Limited	7%	2051	15 instalments commencing March 2044	3,721,805	-
Rock Rail West Coast (Holdings) 2 Limited	2.0% rising to 7.00%	2042	16 instalments commencing March 2035	2,702,439	-
Apple Bidco 1 Limited	7.00%	2044	Repayable on 9 November 2044	1,546,364	1,052,532
				<u>24,985,315</u>	<u>17,546,536</u>

Loan notes: Amounts due within one year

	2019 £	2018 £
Rock Rail East Anglia (Holdings) 2 Limited	145,445	36,888
Rock Rail South Western (Holdings) 2 Limited	149,589	-
Total loan notes	<u>25,280,349</u>	<u>17,583,424</u>

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

16. Creditors: amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade creditors	188,562	126,345	188,562	119,887
Amounts owed to group undertaking	-	-	135,227	759,039
Amounts owed to related parties	229,420	-	229,420	-
Corporation tax	1,818,195	517,835	398,000	403,702
Other taxation and social security	1,538,930	453,598	575,814	328,135
Other creditors	15,917	1,716	15,916	1,716
Accruals and deferred income	215,532	956,924	181,028	924,121
	4,006,556	2,056,418	1,723,967	2,536,600

Amounts owed to group undertakings are interest bearing at 3% and repayable on demand.

17. Creditors: amounts falling due after more than one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Amounts due to related parties	2,793,200	3,077,505	-	8,810
Senior Debt	1,216,669	820,937	-	-
Deferred tax liability	809	-	809	-
	4,010,678	3,898,442	809	8,810

The above amount of £2,793,200 (2018: £3,077,505) relates to a loan due to Rock infrastructure Limited, a related company, which is payable in greater than 5 years. Interest is payable on the outstanding balance of the loan at changeable interest rates from 2% in December 2017 to 10% from 1st January 2024 onwards. The maturity date will be 17th February 2026.

Interest bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest bearing loans and borrowings which are measured at amortised cost.

	Nominal interest rate	Year of maturity	Repayment schedule	2019 £	2018 £
Senior Debt	RPI Index	2044	6- monthly instalments commencing March 2019	1,216,669	820,937

The senior debt is secured by a fixed and floating charge over the assets of Apple Finco (R) Limited.

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

18. Financial instruments

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Financial assets				
Financial assets measured at fair value through profit and loss	5,571,652	3,671,835	1,388,920	1,748,097
Financial assets that are debt instruments measured at amortised cost	25,745,878	18,062,939	4,543,016	3,524,334
	<u>31,317,530</u>	<u>21,734,774</u>	<u>5,931,936</u>	<u>5,272,431</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>8,016,425</u>	<u>5,954,860</u>	<u>1,723,967</u>	<u>2,545,410</u>

Financial assets measured at fair value through profit or loss comprise of unlisted investments and cash at bank.

Financial assets that are debt instruments measured at amortised cost comprise of trade and other debtors and amounts owed by related companies.

Financial liabilities measured at amortised cost comprise of trade and other creditors, accruals and loans payable.

19. Deferred tax (liability)/asset

Group	2019 £	2018 £
At beginning of year	24,945	-
(Charged)/credited to profit and loss	(25,754)	24,945
At end of year	<u>(809)</u>	<u>24,945</u>
	Group 2019 £	Group 2018 £
Short term timing differences	(809)	24,945
	<u>(809)</u>	<u>24,945</u>

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

20. Share capital and share premium

	2019 £	2018 £
Shares classified as equity		
Allotted, called up and fully paid		
5,100 A Ordinary shares of £0.01 each	51	51
4,600 B Ordinary shares of £0.01 each	46	46
300 C Ordinary shares of £0.01 each	3	3
1,502 (2018: 1,142) D Ordinary shares of £0.01 each	15	11
330 (2018: nil) E Ordinary shares of £0.01 each	3	-
	<u>118</u>	<u>111</u>
	2019 £	2018 £
Share premium		
Premium on 330 (2018: nil) E Ordinary shares paid at £84 each	<u>27,717</u>	<u>-</u>
	<u>27,717</u>	<u>-</u>

Dividends and income - Ordinary shares are entitled to receive dividends as approved by the Board of directors.

Voting rights - Ordinary shares are entitled to one vote per share at General Meetings.

Distribution - Upon the liquidation of the company, once all liabilities have been met, ordinary shareholders will receive the value paid up per share. Any remaining funds will be shared amongst ordinary shareholders.

21. Reserves

Profit and loss account

The profit and loss account consists of the accumulated profit.

22. Contingent liabilities

The company operates a deferred incentive scheme for senior members of staff who are actively involved in originating and executing qualifying contacts. The deferred incentive payments are contingent on the business selling its minority interests in the related Special Purpose Vehicle. It has been estimated that in these circumstances, the liability would be £2,015,000 (2018: £1,624,000). It is not possible to state the timing of any possible payment, but the earliest that a partial payment could arise would be 2021.

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

23. Related party transactions

As at 31 December 2019, the group owed £2,793,202 (2018: £3,068,695) to Rock Infrastructure Limited, a company under common control. During the year, interest of £23,215 was received (2018: £218,190 paid) in respect of this loan.

As at 31 December 2019, the group owed £229,420 (2018: £nil) to Rock Rail Apple Bidco 1 Limited. During the year no interest was charged on this loan (2018: £nil) and it is payable on demand.

As at 31 December 2019, Rock Rail Moorgate Management Limited owed no amount (2018: £596,747) to its parent company Rock Rail Holdings Limited. During the year, interest of £3,026 (2018: £14,447) was paid in respect of this loan.

As at 31 December 2019, Rock Rail Moorgate Management Limited was owed £3,008,334 (2018: £2,963,666) and received £238,295 (2018: £216,956) in interest receivable from Rock Rail Moorgate (Holdings) Limited a related party due to key management personnel.

During the year, Rock Rail Moorgate Management Limited received £246,002 (2018: £738,836) from Rock Rail Moorgate Plc.

As at 31 December 2019, Rock Rail East Anglia Management Limited was owed £142,618 (2018: £759,038) from Rock Rail Holdings Limited. During the year, interest of £13,785 (2018: £22,532) was paid in respect of this loan.

As at 31 December 2019, Rock Rail East Anglia Management Limited was owed £6,102,943 (2018: £5,737,080) and received £328,977 (2018: £312,090) interest receivable from Rock Rail East Anglia (Holdings) 2 Limited a related party due to key management personnel.

During the year, Rock Rail East Anglia Management Limited received £526,383 (2018: £611,050) from Rock Rail East Anglia Plc.

As at 31 December 2019, Rock Rail East Anglia Management Limited owed no amount (2018: £127,539) to Rock Rail Management Services Limited. During the year, interest of £619 (2018: £2,539) was paid in respect of this loan.

As at 31 December 2019, Rock Rail Management Service Limited owed £1,337,256 (2018: £1,115,662) to Rock Rail Holdings Limited. During the year, interest of £39,198 (2018: £36,991) was paid in respect of this loan and it is repayable on demand.

As at 31 December 2019, Rock Rail Management Service Limited was owed £8,198,464 (2018: £7,793,258) from Rock Rail South Western (Holdings) 2 Limited. During the year, interest of £405,206 (2018: £399,458) was paid in respect of this loan and it is repayable on demand.

During the year, Rock Rail Management Services Limited received £921,688 (2018: £869,125) from Rock Rail South Western Plc.

ROCK RAIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

23. Related party transactions (continued)

As at 31 December 2019, Rock Rail East Midlands Management Limited owed £729,884 (2018: £nil) to Rock Rail Holdings Limited. During the year, interest of £4,965 (2018: £nil) was paid in respect of this loan and it is repayable on demand.

As at 31 December 2019, Rock Rail East Midlands Management Limited was owed £3,721,805 (2018: £0) from Rock Rail East Midlands (Holdings) 2 Limited. During the year, interest of £69,691 (2018: £nil) was paid in respect of this loan and it is repayable on demand.

During the year, Rock Rail East Midlands Management Limited received £334,946 (2018: £nil) from Rock Rail East Midlands Plc.

During the year, Rock Rail East Midlands Management Limited received £5,645 (2018: £nil) from Rolling Stock Investment No 1 Limited.

During the year, Rock Rail East Midlands Management Limited received £5,478,170 (2018: £nil) from Rock Rail East Midlands PLC in respect of success development fee.

As at 31 December 2019, Rock Rail West Coast Management Limited owed £54,621 (2018: £nil) to Rock Rail Holdings Limited. During the year, interest of £7 (2018: £nil) was paid in respect of this loan and it is repayable on demand.

As at 31 December 2019, Rock Rail West Coast Management Limited was owed £2,702,439 (2018: £nil) from Rock Rail West Coast (Holdings) 2 Limited. During the year, interest of £10,632 (2018: £nil) was paid in respect of this loan and it is repayable on demand.

During the year, Rock Rail West Coast Management Limited received £54,435 (2018: £nil) from Rock Rail West Coast Plc.

During the year, Rock Rail West Coast Management Limited received £4,043,699 (2018: £nil) from Rock Rail West Coast PLC in respect of success development fee.

During the year, Rock Rail Holdings Limited charged Rock Rail Moorgate Management Limited £233,701 (2018: £701,894), Rock Rail East Anglia Management Limited £500,064 (2018: £580,497), Rock Rail Management Services Limited £921,688 (2018: £825,669), Rock Rail East Midlands Management Limited £318,199 (2018: £nil) and Rock Rail West Coast Management Limited £51,714 (2018: £nil) for management services.

The ultimate controlling party is M R Swindell by virtue of his majority shareholding in Rock Rail Holdings Limited.

24. Subsequent events

There have been no material events or circumstances that have occurred after the balance sheet date, but prior to the signing of the financial statements that require disclosure or adjustment to balances and transactions that existed at the balance sheet date.