

Company registration number 11078670 (England and Wales)

**CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## COMPANY INFORMATION

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### Directors

Jed Brawley  
Thomas Crawley  
Michael Woodhead  
Allison Ingram  
Isabelle Caumette (Appointed 13 January 2022)  
Giorgiana Wegener (Appointed 6 March 2022)

### Company number

11078670

### Registered office

Senator House  
85 Queen Victoria Street  
London  
England  
EC4V 4AB

### Auditor

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
7 More London Riverside  
London  
SE1 2RT

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# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

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# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present their annual report and audited financial statements for the year ended 31 December 2022.

#### Principal activities

The principal activity of the company continued to be that of a holding company for its subsidiary Corelink Rail Infrastructure Limited (collectively the "Group") which is engaged in the funding, ownership and leasing of fleets of Class 730 electric trains manufactured by Bombardier Transportation UK Limited ("BT") and Class 196 diesel trains manufactured by Construcciones y Auxiliar de Ferrocarriles S.A. ("CAF").

While, in previous years, Corelink Rail Infrastructure Holdings Limited had a management services agreement in place with its subsidiary (whereby Corelink Rail Infrastructure Limited agreed to pay an annual fee of £535k for the management services provided) this agreement was novated in September 2021 and, as a result, in 2022 Corelink Rail Infrastructure Holdings Limited received no management fee income.

#### Results and dividends

The loss for the year was £nil (2021: loss of £123k).

No ordinary dividends were paid. The directors do not recommend payment of a final dividend (2021: £nil).

#### Future developments

The Group is currently focused on meeting its contractual obligations, monitoring the performance of BT and CAF as they complete the manufacture of the Class 730 and Class 196 trains and preparing for the delivery of the remaining trains.

The Directors have assessed events following the financial year end and note that there are no post balance sheet events that require adjustment or disclosure in the financial statements.

#### Directors

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

Michele Armanini	(Resigned 6 March 2022)
Jed Brawley	
Thomas Crawley	
Michael Woodhead	
Miguel Costa	(Resigned 13 January 2022)
Allison Ingram	
Isabelle Caumette	(Appointed 13 January 2022)
Giorgiana Wegener	(Appointed 6 March 2022)

#### Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### Financial risk management

#### *Liquidity and cash flow risk*

Liquidity risk is the risk that the company is unable to meet its obligations as they fall due.

The company monitors its cash flow requirements on a monthly basis and compares expected cash flow obligations with expected cash flow receipts to ensure that they are appropriately aligned.

#### *Interest rate risk*

The company has no debt and thus has no exposure to interest rate risk.

#### *Credit risk*

Credit risk is the risk of financial loss if a customer or counterparty fails to meet its obligations under a contract.

The company manages credit risk by carrying out regular reviews of counterparties to assess and evaluate their financial stability.

### Independent auditors

In accordance with the company's articles, a resolution proposing that PricewaterhouseCoopers LLP be reappointed as independent auditors of the company will be put to the General Meeting.

### Strategic report

The company has taken advantage of the exemption provided for under section 414 (B) of the Companies Act 2006, and has not produced a strategic report.

### Statement of disclosure to independent auditors

Each director in office at the date of approval of this annual report confirms that:

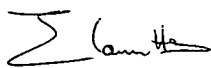
- so far as the director is aware, there is no relevant audit information of which the company's auditor are unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

### Going concern

The directors have assessed the company's ability to continue as a going concern for a period of at least 12 months from the date that the financial statements are approved and have concluded it remains appropriate to continue preparing the financial statements on a going concern basis as discussed in more detail in note 1.2 of the financial statements.

On behalf of the board



Isabelle Caumette  
Director

Date: 25 July 2023

# **CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2022***

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

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## Report on the audit of the financial statements

### Opinion

In our opinion, Corelink Rail Infrastructure Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Statement of financial position as at 31 December 2022; Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

# **CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED**

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In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the directors for the financial statements**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journals. Audit procedures performed by the engagement team included:



# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

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- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding management's internal controls designed to prevent and detect irregularities;
- Identifying and testing journal entries, in particular any journals posted with unusual account combinations; and
- Reviewing relevant board minutes

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### Use of this report

This report, including the opinions, has been prepared for and only for the company's directors as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Robert Hawkins (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
25 July 2023

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## INCOME STATEMENT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Note	2022 £'000	2021 £'000
Revenue	3	-	364
		<hr/>	<hr/>
<b>Gross profit</b>		-	364
Operating expenses		-	(544)
		<hr/>	<hr/>
<b>Result/(Loss) before taxation</b>	4	-	(180)
Income tax credit	7	-	57
		<hr/>	<hr/>
<b>Result/(Loss) for the year</b>		-	(123)
		<hr/>	<hr/>

The income statement has been prepared on the basis that all operations are continuing operations.

The notes on pages 12 to 20 are an integral part of the financial statements.

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

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	2022 £'000	2021 £'000
Loss for the year	- <u>          </u>	(123) <u>          </u>
Total comprehensive expense after the loss for the year	- <u>          </u>	(123) <u>          </u>

The notes on pages 12 to 20 are an integral part of the financial statements.

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## STATEMENT OF FINANCIAL POSITION

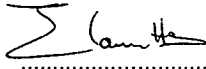
AS AT 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
<b>Non-current assets</b>			
Investment in subsidiary	8	10	10
Deferred tax asset	9	97	97
		<u>107</u>	<u>107</u>
<b>Total assets</b>		<u>107</u>	<u>107</u>
<b>Current liabilities</b>			
Trade and other payables	10	(337)	(337)
<b>Net current liabilities</b>		<u>(337)</u>	<u>(337)</u>
<b>Total liabilities</b>		<u>(337)</u>	<u>(337)</u>
<b>Net liabilities</b>		<u>(230)</u>	<u>(230)</u>
<b>Equity</b>			
Called up share capital	11	100	100
Accumulated losses		<u>(330)</u>	<u>(330)</u>
<b>Total equity</b>		<u>(230)</u>	<u>(230)</u>

The notes on pages 12 to 20 are an integral part of the financial statements.

The financial statements on pages 7 to 20 were approved by the board of directors and authorised for issue on 25 July 2023 and are signed on its behalf by:

  
Giorgiana Wegener  
Director

  
Isabelle Caumette  
Director

Company Registration No. 11078670

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

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	Share capital	Accumulated losses	Total equity
	£'000	£'000	£'000
Balance at 1 January 2021	100	(207)	(107)
	<hr/>	<hr/>	<hr/>
Year ended 31 December 2021:			
Loss and total comprehensive expense for the year	-	(123)	(123)
	<hr/>	<hr/>	<hr/>
Year ended 31 December 2021:	100	(330)	(230)
Year ended 31 December 2022:			
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2022	100	(330)	(230)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 12 to 20 are an integral part of the financial statements.

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

		2022	2021
	Note	£'000	£'000
<b>Cash flows from operating activities</b>			
Cash absorbed by operations	16	-	-
		<hr/>	<hr/>
<b>Net cash outflow from operating activities</b>		-	-
		<hr/>	<hr/>
<b>Net increase in cash and cash equivalents</b>		-	-
Cash and cash equivalents at the beginning of the year		-	-
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		-	-
		<hr/>	<hr/>

The notes on pages 12 to 20 are an integral part of the financial statements.

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Company information**

Corelink Rail Infrastructure Holdings Limited is a private company limited by shares incorporated and domiciled in the United Kingdom. The registered office is Senator House, 85 Queen Victoria Street, London, England, EC4V 4AB. The company's principal activities and nature of its operations are disclosed in the directors' report.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with international accounting standards as adopted by the United Kingdom.

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

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

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the company as an individual entity and not about its group.

Corelink Rail Infrastructure Holdings Limited is a wholly owned subsidiary of Corelink Rail Infrastructure SGP and the results of Corelink Rail Infrastructure Holdings Limited are included in the consolidated financial statements of Corelink Rail Infrastructure SGP, established in the United Kingdom.

The following new standards and amendments to standards are effective for the financial year ended 31 December 2022 onwards:

- Reference to the Conceptual Framework – Amendments to IFRS 3
- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
- AIP IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter 13
- AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

None of the above amendments to standards or interpretations have had a material effect on the financial statements.

#### **New standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### 1.2 Going concern

The financial statements are prepared on a going concern basis as the directors have prepared cash flow forecasts for a period of at least twelve months from the date of signing of this report which confirm that the funding that is available to the company is sufficient to support the company's operations over this period. In making this assessment the directors have considered a wide range of information including the fact that the directors of its subsidiary, Corelink Rail Infrastructure Limited, have confirmed that Corelink Rail Infrastructure Limited will provide financial support to the company and the ability of the subsidiary to provide this support (based on the debt facilities available to the subsidiary and the contractual nature of the subsidiary's income once the full portfolio of trains are put on lease).

##### 1.3 Revenue

Revenue relates to fees earned for management services and 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. Revenue from a contract to provide management services is recognised in the period in which the services are provided.

##### 1.4 Investment in subsidiary

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

##### 1.5 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

The trade and other payables are measured at amortised cost.

##### 1.6 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

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



# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

#### 1.7 Taxation

The tax income/(expense) for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Statement of financial position date in the country where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the Statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising, except where the timing of the reversal of the temporary difference is controlled by the company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Amounts paid by, or amounts received by, the company in respect of group relief that represent the tax benefit surrendered/received are recorded as an income tax expense/credit in the statement of comprehensive income. Where the amounts paid by, or amounts received by, the company exceed the tax benefit surrendered/received, the excess is recorded directly in equity as a movement in other comprehensive income.

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **2 Critical accounting estimates and judgements**

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

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

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

#### **Critical judgements**

##### **Carrying value of deferred tax assets**

The Company has deferred tax assets of £97k (2021: £97k) at 31 December 2022 as discussed in note 9. The recoverability of the deferred tax asset is considered to be a critical accounting estimate. The Company has made an assessment of the recoverability of deferred tax assets based on the forecast taxable profits of the Group. In the event that future taxable profits are lower than forecast the carrying value of the deferred tax asset may be impaired.

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3 Revenue

	2022 £'000	2021 £'000
<b>Revenue analysed by class of business</b>		
Management fees income from Corelink Rail Infrastructure Limited	-	364

	2022 £'000	2021 £'000
<b>Revenue analysed by geographical market</b>		
United Kingdom	-	364

#### 4 Operating profit/(loss)

	2022 £'000	2021 £'000
Loss before taxation for the year is stated after charging:		
Management fees	-	544

#### 5 Auditors' remuneration

The audit fee for the company was borne by Corelink Rail Infrastructure Limited. This is included in their financial statements and below.

	2022 £'000	2021 £'000
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	14	12
Audit of the financial statements of the other group companies	94	83
	108	95

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

There are no employees other than the directors (2021:nil). The remuneration received by the directors during the year was borne by the subsidiary Corelink Rail Infrastructure Limited, and totalled £41k (2021: £35k). Directors Remuneration also represents key management personnel compensation.

	2022 £'000	2021 £'000
<b>Deferred tax</b>		
Origination and reversal of temporary differences	-	(57)

The credit for the year can be reconciled to the loss per the income statement as follows:

	2022 £'000	2021 £'000
Loss before taxation	-	180
Expected tax credit based on a corporation tax rate of 19.00% (2021: 19.00%)	-	(34)
Effect of change in UK corporation tax rate	-	(23)
<b>Taxation charge/(credit) for the year</b>	-	(57)

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Corelink Rail Infrastructure Limited	United Kingdom	Ordinary	100.00

	2022 £'000	2021 £'000
Investments in subsidiaries	10	10
	<u>10</u>	<u>10</u>

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 9 Deferred tax asset

The following are the deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	Tax losses £'000	Total £'000
Deferred tax asset at 1 January 2021	(40)	(40)
<b>Deferred tax movements in prior year</b>		
Credit to profit or loss	(57)	(57)
Deferred tax asset at 31 December 2021	(97)	(97)
<b>Deferred tax movements in current year</b>		
Credit to profit or loss	-	-
Deferred tax asset at 31 December 2022	(97)	(97)

#### 10 Trade and other payables

	2022 £'000	2021 £'000
Amounts owed to fellow group undertakings	337	337

Amounts owed to fellow group undertakings are interest free and repayable on demand.

The amounts owed to group undertakings referenced in the table above are in respect of management fees paid by Corelink Rail Infrastructure Limited in excess of what was charged by Corelink Rail Infrastructure Holdings Limited.

#### 11 Called up share capital

	2022 £'000	2021 £'000
<b>Ordinary share capital</b>		
<b><i>Issued and fully paid</i></b>		
100,000 (2021:100,000) Ordinary of £1 each	100	100

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Financial liabilities

The Company holds the following financial liabilities:

	Carrying value		Fair value	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade and other payables	(337)	(217)	(337)	(217)
	<u>(337)</u>	<u>(217)</u>	<u>(337)</u>	<u>(217)</u>

#### *Fair value of trade and other payables*

The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short-term nature.

### 13 Capital risk management

The company is not subject to any externally imposed capital requirements.

The Board actively monitors the capital structure of the company to ensure that it is able to continue as a going concern and can generate attractive and predictable returns for shareholders. Consideration is given to the availability, cost and risk associated with each class of capital.

The capital structure of the company consists of debt, issued capital, reserves and retained earnings.

### 14 Controlling party

The parent of the smallest and largest group undertaking which produces consolidated financial statements, and of which the company is a member, is Corelink Rail Infrastructure SGP, incorporated in the United Kingdom. Group financial statements for this entity are available from 50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ.

There is no one controlling party, instead it is 50.00% owned by Infracapital Greenfield Partners I LP, 32.28% owned by Pan European Infrastructure II LP and 17.72% owned by Pan European Infrastructure II SCS (in combination the "shareholders").

### 15 Related party transactions

The ultimate holding company of Corelink Rail Infrastructure Holdings limited is Corelink Rail Infrastructure SGP.

Corelink Rail Infrastructure Holdings Limited had a management services agreement in place with Corelink Rail Infrastructure Limited. Under the terms of the agreement, Corelink Rail Infrastructure Limited agreed to pay an annual fee of £535k for these services. As of 22 September 2021, the management services agreement has been novated, and so no further management fees were charged between the related parties. The intercompany balance at the year end was £337k (2021: £337k)

# CORELINK RAIL INFRASTRUCTURE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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**16 Cash absorbed by operations**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Loss for the year after tax	-	(123)
<b>Adjustments for:</b>		
Taxation credited	-	(57)
<b>Movements in working capital:</b>		
Decrease in trade and other receivables	-	60
Increase in trade and other payables	-	120
	<hr/>	<hr/>
<b>Cash absorbed by operations</b>	<hr/>	<hr/>