

RAILWAY VIADUCT HOLDINGS LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Intangible assets	4	1,000,000	1,250,000
Investments	5	100	100
		<u>1,000,100</u>	<u>1,250,100</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	6	92,938	-
		<u>92,938</u>	<u>-</u>
Creditors: amounts falling due within one year	7	(52,700)	(494,170)
		<u>40,238</u>	<u>(494,170)</u>
NET CURRENT ASSETS/(LIABILITIES)			
		<u>1,040,338</u>	<u>755,930</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
Creditors: amounts falling due after more than one year	8	(333,750)	-
PROVISIONS FOR LIABILITIES			
Deferred tax	10	(103,235)	(129,044)
		<u>603,353</u>	<u>626,886</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Revaluation reserve	12	504,029	630,036
Profit and loss account	12	99,224	(3,250)
		<u>603,353</u>	<u>626,886</u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2019

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

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

Mr A Dent

Director

Date: 9 July 2020

The notes on pages 5 to 11 form part of these financial statements.

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

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2019	100	630,036	(3,250)	626,886
Loss for the year	-	-	(23,533)	(23,533)
Transfer to/from revaluation reserve	-	-	126,007	126,007
Transfer to/from profit and loss account	-	(126,007)	-	(126,007)
AT 31 DECEMBER 2019	100	504,029	99,224	603,353

The notes on pages 5 to 11 form part of these financial statements.

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

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
COMPREHENSIVE INCOME FOR THE PERIOD				
Loss for the period	-	-	(132,294)	(132,294)
Transfer deferred tax on revaluation uplift	-	-	129,044	129,044
Revaluation of intangible asset	-	759,080	-	759,080
Shares issued during the period	100	-	-	100
Transfer to/from profit and loss account	-	(129,044)	-	(129,044)
AT 31 DECEMBER 2018	100	630,036	(3,250)	626,886

The notes on pages 5 to 11 form part of these financial statements.

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

1. GENERAL INFORMATION

Railway Viaduct Holdings Limited is a private company limited by shares, registered in England and Wales (registered number: 11435062). Its registered office is 5th Floor 40 Gracechurch Street, London, England, EC3V 0BT.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The following principal accounting policies have been applied:

2.2 EXEMPTION FROM PREPARING CONSOLIDATED FINANCIAL STATEMENTS

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.3 GOING CONCERN

At the period end, the company had net assets of £603,353 (2018: £626,886). This includes a revaluation reserve of £504,029 (2018: £630,036) created following the revaluation of its intangible asset. In order to prepare the financial statements on the going concern basis, the Directors have considered detailed financial projections for a period of 12 months from the date of signing the financial statements. These projections are based on the Company's detailed 5 year forecasts, adjusted to include assumptions around the financial impact of the global COVID-19 pandemic. The financial projections assume the continued group support of Hampden Holdings Limited, the company's ultimate parent, who have confirmed this intention in writing.

On 30 June 2020, the company issued £1,500,000 ordinary £1 shares at par value in order to capitalise existing group debt.

Due to the inherent level of uncertainty over the rate at which the Network Rail spending programmes will pick up following the global pandemic and the Company's ability to successfully tender for these bids as they arise, a significant downside scenario could occur which would indicate the existence of a material uncertainty which would cast doubt over the Company's ability to continue as a going concern.

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

2. ACCOUNTING POLICIES (continued)

2.4 REVENUE

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

Rendering of services

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

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

2.5 FINANCE COSTS

Finance costs are charged to the 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.

2.6 BORROWING COSTS

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.7 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the 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 operates and generates 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

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

2. ACCOUNTING POLICIES (continued)

2.8 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the revaluation model, intangible assets shall be carried at a revalued amount, being its fair value at the date of revaluation less any subsequent accumulated amortisation and subsequent impairment losses - provided that the fair value can be determined by reference to an active market.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

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

The estimated useful lives range as follows:

Trademarks	-	5	years - straight line
------------	---	---	-----------------------

2.9 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 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.

2.11 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.

2.12 PROVISIONS FOR LIABILITIES

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

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company 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.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 3 (2018: 3).

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

4. INTANGIBLE ASSETS

	Trademarks £
COST	
At 1 January 2019	1,250,000
	<hr/>
At 31 December 2019	1,250,000
	<hr/>
AMORTISATION	
Charge for the year on owned assets	250,000
	<hr/>
At 31 December 2019	250,000
	<hr/>
NET BOOK VALUE	
At 31 December 2019	1,000,000
	<hr/>
At 31 December 2018	1,250,000
	<hr/>

Archover Limited holds fixed and floating charges over all intellectual property of the Company.

On 18 December 2018, Metis Partners Limited undertook a desktop valuation of the Company's intellectual property.

5. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
COST OR VALUATION	
At 1 January 2019	100
	<hr/>
At 31 December 2019	100
	<hr/>

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

6. DEBTORS

	2019 £	2018 £
Amounts owed by group undertakings	92,938	-
	<u>92,938</u>	<u>-</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Amounts owed to group undertakings	-	490,920
Other taxation and social security	49,700	-
Accruals and deferred income	3,000	3,250
	<u>52,700</u>	<u>494,170</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Other loans	300,000	-
Accruals and deferred income	33,750	-
	<u>333,750</u>	<u>-</u>

Other loans are secured against the assets of the company.

9. LOANS

Analysis of the maturity of loans is given below:

	2019 £	2018 £
AMOUNTS FALLING DUE 1-2 YEARS		
Other loans	300,000	-
	<u>300,000</u>	<u>-</u>

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

10. DEFERRED TAXATION

	2019 £
At beginning of year	129,044
Charged to profit or loss	(25,809)
AT END OF YEAR	<u>103,235</u>

The provision for deferred taxation is made up as follows:

	2019 £
Deferred tax on intangible asset revaluation	103,235
	<u>103,235</u>

11. SHARE CAPITAL

	2019 £	2018 £
ALLOTTED, CALLED UP AND FULLY PAID		
100 (2018: 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

12. RESERVES

Revaluation reserve

The revaluation reserve represents the unrealised gain upon the uplift in value of the Company's intellectual property rights less the associated provision for deferred tax.

Profit and loss account

This reserve includes all accumulated profits and losses.

13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available as per FRS102 Section 33.1A whereby disclosures need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

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

14. CONTROLLING PARTY

Sustainable Engineering Limited (formerly Archover Holdings Limited) is the immediate parent company of Railway Viaduct Holdings Limited.

The ultimate controlling party by means of a majority shareholding, and parent of the smallest group for which consolidated financial statements are prepared, is Hampden Holdings Limited. The registered office of Hampden Holdings Limited is Hampden House, Great Hampden, Great Missenden, Bucks, HP16 9RD.

15. AUDITORS' INFORMATION

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

In their report, the auditors emphasised the following matter without qualifying their report:

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2.3 in the financial statements, which refers to the significant challenges and

uncertainties caused by the current Coronavirus (COVID-19) pandemic. The Company is reliant on the business being able to operate reasonably in line with the directors' forecasts. As stated in note 2.3, the significant challenges and uncertainties caused by this pandemic may result in circumstances which are not forecast, and therefore indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The audit report was signed by Nathan Coughlin FCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.