

Company registration number 04157174 (England and Wales)

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

COMPANY INFORMATION

Directors	ID Lamerton JS Gordon MT Smith CT Solley J McDonagh	(Appointed 30 June 2023)
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Secretary	Resolis Limited
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Company number	04157174
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Registered office	1 Park Row Leeds United Kingdom LS1 5AB
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Auditor	Johnston Carmichael LLP 7-11 Melville Street Edinburgh EH3 7PE
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PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

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PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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

Principal activities

The principal activity of the company is that of a holding company for Pyramid Accommodation Services (Cornwall) Limited whose principal activity continued to be that of a Private Finance Initiative (PFI) concession contract to design, build, refurbish, finance and operate fire stations for Cornwall Council.

Directors

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

PK Johnstone	(Resigned 30 June 2023)
ID Lamerton	
JS Gordon	
MT Smith	
CT Solley	
J McDonagh	(Appointed 30 June 2023)

JS Gordon resigned on 30 June 2023 and was reappointed on 30 June 2023. JS Gordon held office at the date the financial statements were signed.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Johnston Carmichael LLP will therefore continue in office.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

CT Solley
Director

28 September 2023

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- state whether applicable United Kingdom Accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the Annual Report and financial statements.

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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

Opinion

We have audited the financial statements of Pyramid Accommodation Services (Cornwall) Holdings Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent the audit was considered capable of detecting irregularities, including fraud

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

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

We obtained an understanding of the legal and regulatory frameworks that are applicable to company and the sector in which it operates, focusing on provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- UK Generally Accepted Accounting Practice, including FRS 102;
- Companies Act 2006; and
- UK Corporation Tax legislation

We gained an understanding of how the company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. We have a heightened fraud risk in relation to:

- Income recognition
- Management override of controls.

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Recalculation the finance income received to ensure amounts are in line with contractual terms and relevant accounting standards;
- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- Reviewing the level of and reasoning behind the company's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias;
- Completion of appropriate checklists and use of our experience to assess the company's compliance with the Companies Act 2006; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

Use of our report

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

Grant Roger
Senior Statutory Auditor
For and on behalf of Johnston Carmichael LLP

29 September 2023

Chartered Accountants
Statutory Auditor

7-11 Melville Street
Edinburgh
EH3 7PE

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £'000	2022 £'000
Income from shares in group undertakings		-	243
Interest receivable from group undertakings		149	137
Interest payable and similar expenses	4	(149)	(137)
Profit before taxation		-	243
Tax on profit		-	-
Profit for the financial year		-	243
Retained earnings brought forward		-	-
Dividends		-	(243)
Retained earnings carried forward		-	-

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Investments	5		1,104		1,104
Current assets					
Debtors		76		81	
Creditors: amounts falling due within one year	7	(76)		(81)	
Net current assets			-		-
Total assets less current liabilities			1,104		1,104
Creditors: amounts falling due after more than one year	8		(1,100)		(1,100)
Net assets			4		4
Capital and reserves			-		-
Called up share capital			4		4

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

The financial statements were approved by the board of directors and authorised for issue on 28 September 2023 and are signed on its behalf by:

CT Solley
Director

Company Registration No. 04157174

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Pyramid Accommodation Services (Cornwall) Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Park Row, Leeds, United Kingdom, LS1 5AB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The presentational currency of the financial statements is pounds 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 on the going concern basis under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

The company is a holding company for Pyramid Accommodation Services (Cornwall) Limited. As such whilst assessing the company's ability to continue as a going concern the directors have reviewed the subsidiary's ability to continue as a going concern for a period of at least 12 months from the date of signing these financial statements. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fixed asset investments

Investments are stated at cost excluding any accrued interest and with no provision for impairment in value.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, loans from fellow group companies, are measured at amortised cost using the effective interest method, less any impairment.

1.5 Equity instruments

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

2 Judgements and key sources of estimation uncertainty

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

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

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of fixed asset investments

The directors assess the fixed asset investments for impairment on an annual basis. In checking the investment for impairment they review the payments, dividends, subordinated debt interest and subordinated capital repayments, made from the subsidiary company and the results for the year of the subsidiary company. Judgement is required in assessing the value of any impairment where payments from the subsidiary are below the forecast amounts.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was nil (2022: nil).

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Interest payable and similar expenses

	2023 £'000	2022 £'000
Interest payable and similar expenses includes the following:		
Interest payable to group undertakings	149	137
	<u>149</u>	<u>137</u>

5 Fixed asset investments

	2023 £'000	2022 £'000
Shares in group undertakings and participating interests	4	4
Loans to group undertakings and participating interests	1,100	1,100
	<u>1,104</u>	<u>1,104</u>

The company owns 100% of the issued ordinary share capital of its subsidiary undertaking, Pyramid Accommodation Services (Cornwall) Limited, which is incorporated in Great Britain. The registered office is 1 Park Row, Leeds, United Kingdom, LS1 5AB. Its activity is to design, build, refurbish finance and operated fire stations in Cornwall. The result of Pyramid Accommodation Services (Cornwall) Limited in the year was £270,000 (2022: £190,000) and its capital and reserves at 31 March 2023 was a surplus of £1,374,000 (2022: £1,007,000).

Debtors

	2023 £'000	2022 £'000
Amounts falling due within one year:		
Other debtors	76	81
	<u>76</u>	<u>81</u>

Other debtors comprises of accrued interest on subordinated loans to subsidiary undertakings.

7 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Other creditors	76	81
	<u>76</u>	<u>81</u>

Other creditors comprises accrued interest on subordinated debt.

PYRAMID ACCOMMODATION SERVICES (CORNWALL) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Creditors: amounts falling due after more than one year

	2023	2022
	£'000	£'000
Other creditors	1,100	1,100
	<u> </u>	<u> </u>

Other creditors is made up of £1,100,000 of subordinated loan. It bears interest at a fixed rate of 13.5% and is repayable after more than 5 years.

9 Related party transactions

At the year end PPP Equity PIP LP was due £550,000 (2022: £550,000) for subordinated debt. During the year the company was charged £74,000 (2022: £69,000) for subordinated debt interest of which £38,000 (2022: £41,000) was outstanding at the year end. During the year dividends we paid to PPP Equity PIP LP of £nil (2022: £121,000).

At the year end Aberdeen Infrastructure Partners LP was due £550,000 (2022: £550,000) for subordinated debt. During the year the company was charged £74,000 (2022: £69,000) for subordinated debt interest of which £38,000 (2022: £41,000) was outstanding at the year end. During the year dividends we paid to Aberdeen Infrastructure Partners LP of £nil (2022: £121,000).

The company has taken advantage of FRS 102 para 33.1A which allows it not to disclose transactions with wholly owned subsidiaries.

10 Parent company

At the balance sheet date the company was jointly controlled by Browning PFI Holdings Limited and Aberdeen Infrastructure (No.3) Limited. The ultimate parent companies who jointly control the company are PPP Equity PIP LP (acting through its General Partner, Dalmore Capital 6 GP Limited, and its manager Dalmore Capital Limited) and Aberdeen Infrastructure Partners L.P. Inc. (acting by its General Partner, Aberdeen Infrastructure Finance GP Ltd and its manager abrdn Investments Ltd).

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.