

**COMPANY REGISTRATION NUMBER: 06387403**

**AM Holdco Limited**  
**Annual Report and Financial Statements**  
**31 December 2022**

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# **AM Holdco Limited**

## **Annual Report and Financial Statements**

**Year Ended 31 December 2022**

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# **AM Holdco Limited**

## **Officers and Professional Advisers**

### **The Board of Directors**

John I Cavill  
Matthew J Edwards

### **Company Secretary**

Infrastructure Managers Limited

### **Registered Office**

Cannon Place  
78 Cannon Street  
London  
EC4N 6AF

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants & Statutory Auditors  
Level 4  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX

# **AM Holdco Limited**

## **Strategic Report**

### **Year Ended 31 December 2022**

The directors present their strategic report on AM Holdco Limited ("the Company" ) for the year ended 31 December 2022.

#### **Principal Objectives and Strategies**

The principal objectives of the Company during the year were to operate as a holding company for its investments.

#### **Review of the Business**

The directors are satisfied with the overall performance of the Company and do not see any significant change in the Company's activities in the coming financial year.

#### **Climate Change**

The directors recognise that it is important to disclose their view of the impact of climate change on the Company. As a holding company, the Company itself does not trade. The company's indirect subsidiaries key operational contracts are long-term and with a small number of known counterparties. In most cases, the cashflows from these contracts can be predicted with reasonable certainty for at least the medium-term. Having considered the Company's operations, its contracted rights and obligations and forecast cash flows, there is not expected to be a significant impact upon the Company's operational or financial performance arising from climate change.

#### **Future Developments**

The directors intend for the business to continue to hold its interests in the investments.

#### **Going Concern**

The financial statements are prepared on a going concern basis notwithstanding net liabilities of £13,758,213 (2021: £17,175,311), as a result of the intercompany balance with BILF Bidco Limited. This balance has no fixed repayment schedule and is due for repayment by 31 March 2037. The future cashflows from the Company's investments are expected to recover the net liability position over the life of the investment portfolio.

Cash flow forecasts are prepared for the underlying investment looking over the expected life of the asset and so including the 12 month period from the date the financial statements are signed. In drawing up these forecasts, the directors have made assumptions based upon their view of the current and future economic conditions, that will prevail over the forecast period. The Company's cash flows are dependent on the performance of its investment. After reviewing the performance of the investment, which is done on a regular basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

In light of this, the directors continue to adopt the going concern basis of accounting in preparing the Company's annual financial statements.

#### **Financial instruments**

The Company has no significant financial instruments.

# **AM Holdco Limited**

## **Strategic Report** *(continued)*

### **Year Ended 31 December 2022**

#### **Key Performance Indicators**

In its role as a holding company there are no key performance indicators for the directors to monitor. However, from a group point of view the performance of the investments is assessed every six months by testing the cash resources against the bank lending covenants, where appropriate, with the key indicator being the debt service cover ratio. The investments have been compliant with the covenants laid out in the Group loan agreement.

#### **Principal Risks and Uncertainties**

In the directors' view the only significant risks or uncertainty is in relation to the performance of the underlying investments. To manage this risk the key performance indicators of the Company's investments are regularly monitored.

This report was approved by the board of directors on 27 June 2023 and signed on behalf of the board by:



**Matthew J Edwards**  
Director

# **AM Holdco Limited**

## **Directors' Report**

### **Year Ended 31 December 2022**

The directors present their report and the audited Annual Report and Financial Statements of AM Holdco Limited ("the Company") for the year ended 31 December 2022.

#### **Principal Activities**

The principal objectives of the Company during the year were to operate as a holding company for its investments.

#### **Performance Review**

The profit for the financial year, after taxation, amounted to £3,417,098 (2021: £4,369,589).

The profit for the financial year will be transferred to reserves.

The directors are satisfied with the overall performance of the Company and do not foresee any significant change in the Company's activities in the coming financial year.

#### **Directors**

The directors who served the Company during the year and up to the date of this report were as follows:

John I Cavill  
Matthew J Edwards

#### **Dividends**

No dividends were paid in the year (2021: £nil).

#### **Qualifying Third Party Indemnity Provisions**

During the year, and at the date of this report, the Company has in place qualifying third party indemnity provisions for the benefit of its directors.

#### **Disclosure of Information to Auditors**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The independent auditors, PricewaterhouseCoopers LLP, are deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

## **AM Holdco Limited**

### **Directors' Report** *(continued)*

#### **Year Ended 31 December 2022**

This report was approved by the board of directors on 27 June 2023 and signed by order of the board by:



Mike Forrest on behalf of Infrastructure Managers Limited  
Company Secretary

# **AM Holdco Limited**

## **Directors' Responsibilities Statement**

### **Year Ended 31 December 2022**

The directors are responsible for preparing the Strategic Report, Directors' Report and the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare the Annual Report and Financial Statements for each financial year. Under that law the directors have prepared the Annual Report and Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland ("FRS 102"), and applicable law).

Under company law the directors must not approve the Annual Report and Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period.

In preparing the Annual Report and Financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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; and
- prepare the Annual Report and Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors' responsibilities were approved by the board on 27 June 2023 and signed on its behalf by:



Matthew J Edwards  
Director



# **AM Holdco Limited**

## **Independent Auditors' Report to the Members of AM Holdco Limited**

### **Year Ended 31 December 2022**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

In our opinion, AM Holdco 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 profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); 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: the Statement of Financial Position as at 31 December 2022; the Statement of Comprehensive Income and the Statement of Changes in Equity 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.

# **AM Holdco Limited**

## **Independent Auditors' Report to the Members of AM Holdco Limited *(continued)***

### **Year Ended 31 December 2022**

#### **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.

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 Strategic Report and 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.

#### **Strategic Report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and 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 Strategic Report and 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.

# **AM Holdco Limited**

## **Independent Auditors' Report to the Members of AM Holdco Limited *(continued)***

### **Year Ended 31 December 2022**

#### **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 UK tax legislation, 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 journal entries and the risk of management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management around known or suspected instances of non-compliance with laws and regulations, claims and litigation, and instances of fraud;
- Understanding of management's controls designed to prevent and detect irregularities;
- Review of board minutes;
- Challenging management on assumptions and judgements made in their significant accounting estimates; and
- Identifying and testing journal entries to assess whether any of the journals appeared unusual, for example impacting distributable reserves.

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 members 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.

## **AM Holdco Limited**

### **Independent Auditors' Report to the Members of AM Holdco Limited (continued)**

**Year Ended 31 December 2022**

#### **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.



Matthew Kaye (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants & Statutory Auditors  
Edinburgh

27 June 2023

# **AM Holdco Limited**

## **Statement of Comprehensive Income**

**Year Ended 31 December 2022**

	Note	2022 £	2021 £
Income from participating interests	6	2,788,927	8,741,251
Interest receivable and similar income	7	2,605,002	3,320,885
Interest payable and similar expenses	8	(1,976,831)	(3,126,597)
<b>Profit before taxation</b>		<b>3,417,098</b>	<b>8,935,539</b>
Tax on profit	9	—	(4,565,950)
<b>Profit for the financial year and total comprehensive income</b>		<b>3,417,098</b>	<b>4,369,589</b>

All the activities of the Company are from continuing operations.

The notes on pages 14 to 21 form part of these Financial Statements.

# AM Holdco Limited

## Statement of Financial Position

As at 31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	10	53,244,497	53,408,518
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	8,662,729	13,884,587
Creditors: amounts falling due within one year	12	(75,665,439)	(84,468,416)
<b>Net current liabilities</b>		<u>(67,002,710)</u>	<u>(70,583,829)</u>
<b>Total assets less current liabilities</b>		<u>(13,758,213)</u>	<u>(17,175,311)</u>
<b>Capital and reserves</b>			
Called up share capital	14	1	1
Retained earnings	15	(13,758,214)	(17,175,312)
<b>Total shareholders' deficit</b>		<u>(13,758,213)</u>	<u>(17,175,311)</u>

The Financial Statements were approved by the board of directors and authorised for issue on 27 June 2023, and are signed on behalf of the board by:



Matthew J Edwards  
Director

Company registration number: 06387403

The notes on pages 14 to 21 form part of these Financial Statements.

**AM Holdco Limited**  
**Statement of Changes in Equity**  
**Year Ended 31 December 2022**

	Called up share capital £	Retained earnings £	Total £
<b>At 1 January 2021</b>	1	(21,544,901)	(21,544,900)
Profit for the financial year		<u>4,369,589</u>	<u>4,369,589</u>
<b>Total comprehensive income for the year</b>	-	<u>4,369,589</u>	<u>4,369,589</u>
<b>At 31 December 2021</b>	1	(17,175,312)	(17,175,311)
Profit for the financial year		<u>3,417,098</u>	<u>3,417,098</u>
<b>Total comprehensive income for the year</b>	-	<u>3,417,098</u>	<u>3,417,098</u>
<b>At 31 December 2022</b>	<u>1</u>	<u>(13,758,214)</u>	<u>(13,758,213)</u>

The notes on pages 14 to 21 form part of these Financial Statements.

# **AM Holdco Limited**

## **Notes to the Annual Report and Financial Statements**

### **Year Ended 31 December 2022**

#### **1. General Information**

AM Holdco Limited ("the Company") is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Cannon Place, 78 Cannon Street, London, EC4N 6AF.

The principal objectives of the Company during the year were to operate as a holding company for its investments.

The Company's functional and presentation currency is the pound sterling.

#### **2. Statement of Compliance**

The individual financial statements of AM Holdco Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

#### **3. Accounting Policies**

##### **(a) Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed further in the accounting policies.

The accounting policies stated below have been consistently applied to the years presented, unless otherwise stated.

##### **(b) Going concern**

The directors acknowledge the Company is in a net liabilities position £13,758,213 (2021: £17,175,311) as a result of the intercompany balance with BIIF Bidco Limited. This balance has no fixed repayment schedule. The future cashflows from the Company's investments are expected to recover the net liability position over the life of the investment portfolio.

Cash flow forecasts are prepared for the underlying investment looking over the expected life of the asset and so including the 12 month period from the date the financial statements are signed. In drawing up these forecasts, the directors have made assumptions based upon their view of the current and future economic conditions, that will prevail over the forecast period. The Company's cash flows are dependent on the performance of its investment. After reviewing the performance of the investment, which is done on a regular basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In light of this, the directors continue to adopt the going concern basis of accounting in preparing the Company's annual financial statements.



# **AM Holdco Limited**

## **Notes to the Annual Report and Financial Statements *(continued)***

### **Year Ended 31 December 2022**

#### **3. Accounting Policies *(continued)***

##### **(c) Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of BILF Holdco Limited which can be obtained from the Company Secretary at Cannon Place, 78 Cannon Street, London, EC4N 6AF. As such, advantage has been taken of the following disclosure exemptions available under FRS 102:

- (a) No cash flow statement has been presented for the Company.
- (b) Certain disclosures required by Sections 11 and 12 of FRS 102 (Basic Financial Instruments and Other Financial Instruments Issues respectively).

The Company is wholly owned by BILF Holdco Limited and has taken advantage of the exemption in section 33 of FRS 102 'Related Party Disclosures', that allows it not to disclose transactions with wholly owned members of a group.

##### **(d) Consolidation**

The Company is a wholly-owned subsidiary of BILF Holdco Limited, a company incorporated in the EEA. In accordance with Section 400 of the Companies Act 2006, the Company is not required to produce, and has not published, consolidated accounts.

##### **(e) Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments 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.

##### **Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty are as follows:

##### **i) Impairment of assets**

The carrying value of those assets recorded in the Company's Statement of Financial Position, at amortised cost, could be materially reduced where circumstances exist which might indicate that an asset has been impaired and an impairment review is performed. Impairment reviews consider the fair value and/or value in use of the potentially impaired asset or assets and compare that with the carrying value of the asset or assets in the Statement of Financial Position. Any reduction in value arising from such a review would be recorded in the Statement of Comprehensive Income. Impairment reviews involve the significant use of assumptions. Consideration has to be given as to the price that could be obtained for the asset or assets, or in relation to a consideration of value in use, estimates of the future cash flows that could be generated by the potentially impaired asset or assets, together with a consideration of an appropriate discount rate to apply to those cash flows.

# **AM Holdco Limited**

## **Notes to the Annual Report and Financial Statements *(continued)***

### **Year Ended 31 December 2022**

#### **3. Accounting Policies *(continued)***

##### **(f) Income tax**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### **Current Tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. The directors periodically evaluate 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.

##### **(g) Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

##### **(h) Investments in associates**

Investments include the cost of a premium paid to acquire the rights to advance subordinated loans to Group undertakings less any provision for any diminution in value.

##### **(i) Investments in joint ventures**

Investments in joint ventures accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

##### **(j) Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

# AM Holdco Limited

## Notes to the Annual Report and Financial Statements *(continued)*

### Year Ended 31 December 2022

#### 4. Auditors' Fee

The audit fee of £3,740 (2021: £3,400) was borne by another group company.

#### 5. Particulars of Employees and Directors

The average number of persons employed by the Company during the financial year, including the directors, amounted to nil (2021: nil). The directors did not receive any remuneration from the Company during the year (2021: £nil).

#### 6. Income from Participating Interests

	2022	2021
	£	£
Dividends from participating interests	<u>2,788,927</u>	<u>8,741,251</u>

#### 7. Interest Receivable and Similar Income

	2022	2021
	£	£
Interest receivable on other loans	<u>2,605,002</u>	<u>3,320,885</u>

#### 8. Interest Payable and Similar Expenses

	2022	2021
	£	£
Other interest payable and similar expenses	<u>1,976,831</u>	<u>3,126,597</u>

#### 9. Tax on Profit

##### Major components of tax expense

	2022	2021
	£	£
Current tax:		
UK current tax expense	–	4,565,950
Tax on profit	<u>–</u>	<u>4,565,950</u>

# AM Holdco Limited

## Notes to the Annual Report and Financial Statements *(continued)*

### Year Ended 31 December 2022

#### 9. Tax on Profit *(continued)*

##### Reconciliation of tax expense

The tax assessed on the profit for the year is lower than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022 £	2021 £
Profit before taxation	<b>3,417,098</b>	8,935,539
Profit before taxation by rate of tax	<b>649,249</b>	1,697,753
Adjustment to tax charge in respect of prior periods	–	4,565,950
Effect of expenses not deductible for tax purposes	–	44,060
Income not chargeable for tax purposes	<b>(529,896)</b>	(1,660,838)
Group relief not paid for	<b>(119,353)</b>	(80,975)
Total tax charge	<b>–</b>	4,565,950

##### Factors that may affect future tax income

The Company's tax losses as at 31 December 2022 amount to £2,079,271 (2021: £2,079,271). The resultant deferred tax asset of £519,818 (2021: £395,061) has not been recognised due to uncertainties as to the extent and timing of its future recovery.

#### 10. Investments

	Shares in participating interests £	Loans to participating interests £	Total £
<b>Cost</b>			
At 1 January 2022	42,828,465	10,580,053	<b>53,408,518</b>
Repayments	–	(164,021)	<b>(164,021)</b>
<b>At 31 December 2022</b>	<b>42,828,465</b>	<b>10,416,032</b>	<b>53,244,497</b>
<b>Impairment</b>			
At 1 January 2022 and 31 December 2022	–	–	–
<b>Carrying amount</b>			
<b>At 31 December 2022</b>	<b>42,828,465</b>	<b>10,416,032</b>	<b>53,244,497</b>
At 31 December 2021	42,828,465	10,580,053	<b>53,408,518</b>

## AM Holdco Limited

### Notes to the Annual Report and Financial Statements *(continued)*

#### Year Ended 31 December 2022

##### 10. Investments *(continued)*

The Company holds interests in the following companies. The percentage of the equity held is noted in the table below.

	% held
Road Management Group Limited	41.67%
Road Management Services (Darrington) Holdings Limited	25.00%
Key Health Services Holdings (Addenbrookes) Limited	50.00%

The Company holds loan notes in the following companies. These loan notes fall due for payment at regular intervals with the closing balance, rate of interest and last payment date noted in the table below.

	Balance 31 Dec 2022	Rate of interest	Maturity
Road Management Group Limited	4,803,966	12.00%	2023
Road Management Services (Darrington) Holdings Limited	2,049,219	10.00%	2036
Key Health Services Holdings (Addenbrookes) Limited	3,562,847	13.25%	2037

The full list of companies in which the company has investments in is as follows:

	Investment Holding %	Class of shares
Key Health Services (Addenbrookes) Limited	50	Ordinary
Key Health Services Holdings (Addenbrookes) Limited	50	Ordinary
Road Management Group Limited	42	Ordinary
Road Management Consolidated PLC Limited	42	Ordinary
Road Management Limited	42	Ordinary
Road Management Services (Gloucester) Limited	42	Ordinary
Road Management Services (Peterborough) Limited	42	Ordinary
Road Management Services (Darrington) Holdings Limited	25	Ordinary
Road Management Services (Finance) PLC Limited	25	Ordinary
Road Management Services (Darrington) Limited	25	Ordinary

The registered address of all investments is Cannon Place, 78 Cannon Street, London, EC4N 6AF.

The directors acknowledge that the investment in Key Health Services Holdings (Addenbrookes) Limited is in net liabilities. This is caused by the derivative financial instruments held by its subsidiary, Key Health Services (Addenbrookes) Limited, being brought onto the Statement of Financial Position. The directors have reviewed the investment's forecasts and projections and have reasonable expectations that no impairment indicators exist and the investment will continue in operational existence for the foreseeable future.

# AM Holdco Limited

## Notes to the Annual Report and Financial Statements *(continued)*

### Year Ended 31 December 2022

#### 11. Debtors

Debtors amounts falling due within one year are as follows:

	2022	2021
	£	£
Amounts owed by Group undertakings	73,950	73,950
Prepayments and accrued income	8,588,776	13,810,318
Other debtors	3	319
	<u>8,662,729</u>	<u>13,884,587</u>

The amounts owed by Group undertakings relate to group tax relief, and are non interest bearing and repayable upon demand.

Accrued income relates to accrued interest receivable from company in which investments are held (see note 10).

#### 12. Creditors: amounts falling due within one year

	2022	2021
	£	£
Amounts owed to Group undertakings	<u>75,665,439</u>	<u>84,468,416</u>

The Amounts owed to Group undertakings include amounts owed to the Company's immediate parent of £16,317,408 (2021: £27,107,487) which bears interest at 8.4% and is repayable upon demand. The amount of interest outstanding at the year end is £53,831,323 (2021: £51,880,021). In addition an amount of £3,036,585 (2021: £3,000,611) is owed to Road Management Services (Darrington Holdings) Limited, a company in which the Company owns 25% of the share capital. This loan was entered into in 2008 and previously attracted interest at LIBOR less 25 basis points. However in the year it was mutually agreed that interest would be payable at a rate equivalent to the rate of interest that Road Management Services (Darrington Holdings) Limited would have received if it had retained the cash and placed these funds on a term bank deposit account. Interest payable is settled semi-annually on 31 March and 30 September. The loan is repayable if certain conditions are not met by Road Management Services (Darrington Holdings) Limited, for example, compliance with its debt covenant ratios as specified in its senior loan agreements. The final maturity date of the loan is 31 March 2035 and interest accrued but not paid at 31 December 2021 amounted to £36,585 (2021: £611). The remaining Amounts owed to Group undertakings comprise non-interest bearing loans totalling £2,480,123 (2021: £2,480,123) which is repayable upon demand.

#### 13. Financial Instruments

The intercompany borrowings and receivables are held at amortised cost.

#### 14. Called Up Share Capital

Issued, called up and fully paid

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

## **AM Holdco Limited**

### **Notes to the Annual Report and Financial Statements *(continued)***

#### **Year Ended 31 December 2022**

##### **14. Called Up Share Capital *(continued)***

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and the repayment of capital.

##### **15. Reserves**

Retained earnings records retained earnings and accumulated losses.

##### **16. Related Party Transactions**

The Company is wholly owned by BIIF Holdco Limited and has taken advantage of the exemption in section 33 of FRS 102 'Related Party Disclosures', that allows it not to disclose transactions with wholly owned members of a group.

Road Management Group Limited is a joint investment company and within the year paid to the Company loan interest totalling £1,444,747 (2021: £2,258,203). Details of the total loan balance due to the Company by Road Management Group Limited can be found in Note 11 of these accounts. Included in creditors is a loan of £2,480,123 (2021: £2,480,123) due to Road Management Group Limited.

Road Management Services (Darrington) Limited is a joint venture investment company who, within the year, paid to the Company loan interest totalling £218,420 (2021: £230,447). Capital repayments totalling £164,021 (2021: £163,942) were made to loans extended by the Company and details of the total balance of loans outstanding at 31 December 2022 are detailed in Note 10 of these accounts. Included within creditors is a loan of £3,036,585 (2021: £3,000,611) due to Road Management Services (Darrington) Limited.

Key Health Services Holdings (Addenbrookes) Limited is a joint venture investment company who, within the year, paid to the Company loan interest totalling £946,085 (2021: £832,235). Details of the total balance of loans outstanding at 31 December 2022 are detailed in Note 10 of these accounts.

##### **17. Controlling Party**

The immediate parent undertaking is BIIF Bidco Limited.

The intermediate parent undertaking is BIIF Holdco Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of BIIF Holdco Limited consolidated financial statements can be obtained from the Company Secretary at Cannon Place, 78 Cannon Street, London, EC4N 6AF.

The ultimate parent and controlling party is BIIF L.P. BIIF L.P. is owned by a number of investors with no one investor having individual control.