

# **Eversholt Finance Holdings Limited**

## **Annual report and financial statements for the year ended 31 December 2017**

**Registered No. 07327371**

## **Annual report and financial statements**

for the year ended 31 December 2017

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## **Strategic report**

for the year ended 31 December 2017

### **Business review**

During the year and up to the date of signing the financial statements, Eversholt Finance Holdings Limited (the "Company") continues to hold its investment in Eversholt Funding plc. The Company forms part of the Eversholt UK Rails Group ("Group") more fully described in note 13.

In the year the Company generated a loss of £4,589 (2016: £3,638). As at 31 December 2017 the Company had net assets of £31,462 (2016: £36,051).

The business is funded principally by other group undertakings through borrowings. The Company has no employees.

### **Risk management**

The Company has established financial risk management objectives and policies. These objectives, together with an analysis of the exposure to such risks, are set out in note 12 of the financial statements.

The principal business risk for the Company is diminution in the value of the investment in Eversholt Funding plc.

### **Performance**

The Company's results for the year are as detailed in the Income statement on page 9.

The Group manages its operations on a consolidated basis, therefore the Company's directors believe that further specific performance measures for the company are not necessary or appropriate for an understanding of its performance. Performance measures for the Group are disclosed in the accounts of Eversholt UK Rails Limited.

Signed on behalf of the Board by:



**M B Kenny**  
Director

Registered Office  
210 Pentonville Road  
London  
N1 9JY  
United Kingdom

29 March 2018

## **Directors' report**

for the year ended 31 December 2017

The Directors present their Annual report together with the audited financial statements for the year ended 31 December 2017.

### **Directors**

The Directors who served during the year and up to the date of signing were as follows:

#### **Name**

M B Kenny

A J Course

A J Wesson

The Articles of Association of the Company provide that in certain circumstances the Directors are entitled to be indemnified out of the assets of the Company against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the Companies Act 2006. Indemnity provisions of this nature have been in place during the financial year but have not been utilised by the Directors. The Directors have no interests in the share capital of the Company.

### **Future developments**

The Company will continue to act as an investment holding company.

### **Dividends**

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2017 (2016: nil).

### **Going concern basis**

The financial statements are prepared on the going concern basis because the Directors are satisfied that the Company, through the support of the Group, has the resources to continue in business for the foreseeable future. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions.

### **Disclosure of information to the auditor**

Each person 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 auditor is 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 is aware of that information. This confirmation is given pursuant to Section 418 of the UK Companies Act 2006 and should be interpreted in accordance therewith.

**Directors' report (continued)**  
for the year ended 31 December 2017

**Auditor**

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

Approved by the Board and signed on its behalf by:

A handwritten signature in black ink, consisting of a large, stylized 'M' followed by a horizontal line extending to the right.

**M B Kenny**  
Director

Registered Office  
210 Pentonville Road  
London  
N1 9JY  
United Kingdom  
29 March 2018

## Statement of Directors' responsibilities

for the year ended 31 December 2017

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 year. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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 are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Company's annual financial statements were approved by the Board of Directors on 29 March 2018 and signed on their behalf by:



**M B Kenny**

Director

Registered Office  
210 Pentonville Road  
London  
N1 9JY  
United Kingdom

**Independent Auditor's report to the Members of Eversholt Finance Holdings Limited**  
for the year ended 31 December 2017

**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and IFRSs as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Eversholt Finance Holdings Limited ("the Company") which comprise:

- the Income statement;
- the Statement of comprehensive income;
- the Statement of financial position;
- the Statement of cash flows
- the Statement of changes in equity;
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

**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 auditor's 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**

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our auditor's report thereon. 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.

## **Independent Auditor's report to the Members of Eversholt Finance Holdings Limited (continued)**

for the year ended 31 December 2017

### **Other information (continued)**

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement, 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.

### **Auditor's 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 auditor's 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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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 any material misstatements in the Strategic report or the Directors' report.



**Independent Auditor's report to the Members of Eversholt Finance Holdings Limited  
(continued)**

for the year ended 31 December 2017

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.



**Makhan Chahal ACA (Senior Statutory Auditor)**  
for and on behalf of Deloitte LLP  
Statutory Auditor  
London

29<sup>th</sup> March 2018

## Income statement

for the year ended 31 December 2017

		2017 £	2016 £
Finance expense	<b>4</b>	(909)	(691)
Administrative expense	<b>5</b>	(4,774)	(3,857)
<b>Loss before tax</b>		<b>(5,683)</b>	<b>(4,548)</b>
Income tax credit	<b>6</b>	1,094	910
<b>Loss after tax</b>		<b>(4,589)</b>	<b>(3,638)</b>

There were no discontinued or discontinuing operations during the year.

The notes on pages 13 to 18 form an integral part of these financial statements.

## Statement of comprehensive income

for the year ended 31 December 2017

There has been no comprehensive income and expense other than the loss for the year as shown above (2016: £nil).

# Statement of financial position

as at 31 December 2017

	<i>Note</i>	2017 £	2016 £
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in subsidiary	8	<u>50,000</u>	<u>50,000</u>
<b>Current assets</b>			
Current tax – amounts due from group relief		<u>2,004</u>	<u>910</u>
<b>Total assets</b>		<u><b>52,004</b></u>	<u><b>50,910</b></u>
<b>Liabilities and equity</b>			
<b>Current liabilities</b>			
Trade and other payables	9	<u>2,434</u>	<u>1,350</u>
<b>Non-current liabilities</b>			
Borrowings	10	<u>18,108</u>	<u>13,509</u>
<b>Total liabilities</b>		<u><b>20,542</b></u>	<u><b>14,859</b></u>
<b>Equity</b>			
Share capital	11	50,000	50,000
Accumulated deficit		(18,538)	(13,949)
<b>Total equity</b>		<u><b>31,462</b></u>	<u><b>36,051</b></u>
<b>Total equity and liabilities</b>		<u><b>52,004</b></u>	<u><b>50,910</b></u>

The notes on pages 13 to 18 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 29 March 2018. They were signed on its behalf by:



**A J Wesson**

Director

Company registration number 07327371

## Statement of cash flows

for the year ended 31 December 2017

	2017 £	2016 £
<b>Cash flow from operating activities</b>		
Loss before tax	(5,683)	(4,548)
<b>Operating cash flow before changes in working capital</b>	<b>(5,683)</b>	<b>(4,548)</b>
Increase/ (decrease) in trade and other payables	1,084	(1,179)
<b>Cash utilised in operating activities</b>	<b>(4,599)</b>	<b>(5,727)</b>
Receipt in respect of group relief	-	623
<b>Net cash utilised in operating activities</b>	<b>(4,599)</b>	<b>(5,104)</b>
 <b>Cash flow from financing activities</b>		
Movement in working capital loan with Eversholt Rail Limited (formerly trading as Eversholt Rail (UK) Limited)	4,599	5,104
<b>Net cash generated by financing activities</b>	<b>4,599</b>	<b>5,104</b>
 Net movement in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	-	-
<b>Cash and cash equivalents at end of the year</b>	<b>-</b>	<b>-</b>

**Statement of changes in equity**  
for the year ended 31 December 2017

	<i>Note</i>	Share capital £	Accumulated deficit £	Total equity £
Balance at 1 January 2016	11	50,000	(10,311)	39,689
Total comprehensive expense		-	(3,638)	(3,638)
<b>Balance at 31 December 2016</b>		<b>50,000</b>	<b>(13,949)</b>	<b>36,051</b>
Total comprehensive expense		-	(4,589)	(4,589)
<b>Balance at 31 December 2017</b>		<b>50,000</b>	<b>(18,538)</b>	<b>31,462</b>

## Notes to the annual financial statements

for the year ended 31 December 2017

### 1 General Information

Eversholt Finance Holdings Limited (the "Company"), is a private company incorporated and domiciled in England and Wales and is limited by shares (see note 11). The registered office of the Company is 210 Pentonville Road, London, N1 9JY. The principal activity of the Company is to operate as an investment holding company.

### 2 Basis of Preparation

These financial statements are presented in pounds sterling being the Company's functional currency.

The Company is exempt from the requirement to prepare consolidated financial statements by section 401 of the Companies Act 2006. The financial statements present information about the Company as an individual undertaking.

#### 2.1 Compliance with International Financial Reporting Standards

The financial statements of the Company have been prepared on the historical cost basis. These financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as issued by the International Accounting Standards Board ('IASB') and as endorsed by the European Union ('EU'). EU-endorsed IFRSs may differ from IFRSs as issued by the IASB if, at this point in time, new or amended IFRSs have not been endorsed by the EU. At 31 December 2017, there were no unendorsed standards effective for the year ended 31 December 2017 affecting these financial statements, and there was no difference between IFRSs endorsed by the EU and IFRSs issued by the IASB in terms of their application to the financial statements of the Company. Accordingly, the Company's financial statements for the year ended 31 December 2017 are prepared in accordance with IFRSs as issued by the IASB and endorsed by the EU.

IFRSs comprise accounting standards issued by the IASB and its predecessor body as well as interpretations issued by the IFRS Interpretations Committee ('IFRIC') and its predecessor body.

#### 2.2 Standards and Interpretations issued by the IASB

During the year, the Company adopted a number of interpretations and amendments to standards which had an insignificant effect on the financial statements. At 31 December 2017, a number of standards and amendments to standards have been issued by the IASB which are not effective for the Company's financial statements as at 31 December 2017. The following Adopted IFRSs have been issued but have not been applied by the Company in these financial statements. Their adoption does not have a material effect on the financial statements unless otherwise indicated.

- IFRIC 22 Foreign Currency Transactions and Advance Consideration (mandatory for periods beginning on or after 1 January 2018).
- IFRS 9 Financial Instruments (mandatory for periods beginning on or after 1 January 2018).
- IFRS 15 Revenue from Contracts with Customers (mandatory for periods beginning on or after 1 January 2018).
- IFRS 16 Leases (mandatory for periods beginning on or after 1 January 2019).

## **Notes to the annual financial statements (continued)**

for the year ended 31 December 2017

### **2 Basis of Preparation (continued)**

#### **2.3 Going concern**

The financial statements have been assessed in conjunction with its immediate parent, European Rail Finance Holdings Limited, as its viability is dependent upon the ability of the parent and Group companies to provide funds for the Company when required. As a result and having made appropriate enquiries, reviewed forecasts and having the commitment of support from the parent, the Directors consider it reasonable to assume that the Company has adequate resources to continue for the foreseeable future and on this basis the accounts have been prepared on a going concern basis.

### **3 Summary of significant accounting policies**

The principal accounting policies adopted are set out below and have been applied consistently to all years presented in these financial statements.

#### **3.1 Income taxes**

Income tax comprises current tax and is recognised in the Income statement.

Current tax is the tax expected to be payable on the taxable profit or loss for the year, calculated using tax rates enacted or substantively enacted by the end of the reporting period and any adjustment to tax payable in respect of previous years.

#### **3.2 Financial liabilities**

Financial liabilities are classified as either financial liabilities at 'fair value through profit or loss' (FVTPL) or 'other' financial liabilities.

Financial liabilities are initially measured at fair value less any transaction costs that are directly attributable to the purchase or issue. Financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument. The Company derecognises the financial liability when the obligations specified in the contract expire, are discharged or cancelled. Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest rate method.

#### **3.3 Subsidiaries**

The Company classifies investments in entities which it controls as subsidiaries. The Company's investments in subsidiaries are stated at cost less any impairment losses. Any impairment loss recognised in prior years shall be reversed through the Income statement if, and only if, there has been a change in the estimates used to determine the investment in the subsidiary's recoverable amount since the last impairment loss was recognised.

#### **3.4 Share capital**

Shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Dividends payable in relation to equity shares are recognised as a liability in the year in which they are declared.

#### **3.5 Use of judgements, estimates and assumptions**

In the application of the Company's accounting policies, management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates.

There are no accounting policies that are deemed critical to the Company's IFRS results and financial position, in terms of materiality of the items to which the policy is applied, which involve a high degree of judgement and estimation. There are no sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Notes to the annual financial statements (continued)**

for the year ended 31 December 2017

**4 Finance expense**

	2017 £	2016 £
Interest payable to Eversholt Rail Limited	<u>(909)</u>	<u>(691)</u>

**5 Administrative expense**

	2017 £	2016 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<u>(4,774)</u>	<u>(3,857)</u>

**6 Income tax credit**

	2017 £	2016 £
<b>Current tax</b>		
Income tax credit	<u>1,094</u>	<u>910</u>

The following table reconciles the tax credit which would apply if all profits had been taxed at the UK corporation tax rate:

	2017 £	2016 £
Loss before tax	<u>5,683</u>	<u>4,548</u>
Taxation at corporation tax rate of 19.25% (2016: 20%)	<u>1,094</u>	<u>910</u>

The corporation tax rate reduction to 19% from 1 April 2017 was substantively enacted on 18 November 2015. A further reduction to 17% from 1 April 2020 was substantively enacted on 15 September 2016. As a result of these reductions the Company's future current tax charge will reduce accordingly.

**7 Directors' emoluments**

The Directors have been paid by another group undertaking, Eversholt Rail Limited. No specific charge has been made to the Company in this regard.

**8 Investment in subsidiary**

	2017 £	2016 £
At cost	<u>50,000</u>	<u>50,000</u>

Name of Undertaking	Class of Capital	Country of Incorporation	Type of business	Ownership Percentage 2017	Ownership Percentage 2016
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Eversholt Funding plc	Ordinary Shares	England*	Financing	100%	100%
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\* Registered office: 210 Pentonville Road, London, N1 9JY

The Company has no indirect subsidiaries.



**Notes to the annual financial statements (continued)**

for the year ended 31 December 2017

**9 Trade and other payables**

	2017 £	2016 £
Accruals	<u>2,434</u>	<u>1,350</u>

**10 Borrowings**

	2017 £	2016 £
<b>Non-current</b>		
Eversholt Rail Limited	<u>18,108</u>	<u>13,509</u>

The intragroup loan with Eversholt Rail Limited (formerly trading as Eversholt Rail (UK) Limited) is classified as non-current as it is repayable on 4 November 2022. Borrowing entities may prepay and redraw loans until the repayment date. Interest on the loan is payable monthly at a floating rate, which substantially matches the rate of the Group's senior debt, plus margin (2016: Group's senior debt, plus margin).

**11 Share capital**

	2017 £	2016 £
<b>Authorised, allotted, called up and fully paid</b>		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

**12 Risk management**

Exposure to capital risk, liquidity risk, and market risk arises in the normal course of the Company's business. The policies for managing all risks which are significant, together with the quantitative disclosures not already included elsewhere in the financial statements, are described in this note.

Sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 3.5.

The management of all risks which are significant, together with the quantitative disclosures not already included elsewhere in the financial statements, is described in this note.

**Capital risk management**

The Board actively monitors the capital structure of the Company to ensure that the Company is able to continue as a going concern. Consideration is given to the availability, costs and risks associated with each class of capital. The capital structure of the Company consists of equity attributable to equity holders of the parent, comprising issued share capital.

The Company is not subject to any externally imposed capital requirement.

**Liquidity risk management**

Undiscounted cash flows in respect of the intercompany loan with Eversholt Rail Limited include the principal amount of working capital loans only, due to the uncertainty of working capital movements and of interest estimation. Interest on working capital loans is settled as part of working capital cash movements and not accrued.

**Notes to the annual financial statements (continued)**

for the year ended 31 December 2017

**12 Risk management (continued)****Liquidity risk management (continued)**

The following is an analysis of undiscounted cash flows by remaining contractual maturities at the end of the reporting period:

	Carrying value £	Contractual cash flows £	On demand £	Due within 1 year £	Due between 1-5 years £	Due after 5 years £
<b>31 December 2017</b>						
<b>Financial liabilities</b>						
Non-derivative instruments – amortised cost						
- Borrowings	18,108	18,108	-	-	18,108	-
- Trade and other payables	2,434	2,434	-	2,434	-	-
	<b>20,542</b>	<b>20,542</b>	-	<b>2,434</b>	<b>18,108</b>	-
<b>Total financial instruments</b>	<b>(20,542)</b>	<b>(20,542)</b>	-	<b>(2,434)</b>	<b>(18,108)</b>	-

	Carrying value £	Contractual cash flows £	On demand £	Due within 1 year £	Due between 1-5 years £	Due after 5 years £
<b>31 December 2016</b>						
<b>Financial liabilities</b>						
Non-derivative instruments – amortised cost						
- Borrowings	13,509	13,509	-	-	13,509	-
- Trade and other payables	1,350	1,350	-	1,350	-	-
	<b>14,859</b>	<b>14,859</b>	-	<b>1,350</b>	<b>13,509</b>	-
<b>Total financial instruments</b>	<b>(14,859)</b>	<b>(14,859)</b>	-	<b>(1,350)</b>	<b>(13,509)</b>	-

**Market risk management****Foreign currency risk**

The Company is not exposed to foreign exchange risk in its financial liabilities.

**Interest rate risk**

The Company has exposure to fluctuations in interest rates. This exposure is managed at a group level through the use of interest rate swaps. The cost or benefit derived from the use of swaps is taken into account in determining the interest on the loan accounts.

**Interest rate sensitivity analysis**

The impact of a 50 basis points increase in LIBOR would have resulted in an increase in intercompany working capital interest expense of £21. The sensitivity analysis is applied to the borrowing rate and performed on the monthly balance of the relevant financial instrument.

**13 Related party transactions****13.1 Identity of related parties**

The Company has a related party relationship with its directors (refer to page 3) and with other entities in the Eversholt UK Rails Group, namely:

- Eversholt UK Rails Limited
- Eversholt UK Rails (Holding) Limited
- Eversholt Investment Limited
- European Rail Finance Holdings Limited
- European Rail Finance Limited
- Eversholt Rail Leasing Limited (formerly trading as European Rail Finance (GB) Limited)
- Eversholt Rail Holdings (UK) Limited
- Eversholt Funding plc

## **Notes to the annual financial statements (continued)**

for the year ended 31 December 2017

### **13 Related party transactions (continued)**

#### **13.1 Identity of related parties (continued)**

- Eversholt Rail Limited
- Eversholt Depot Finance Limited (formerly trading as Eversholt Depot Finance (UK) Limited)
- Eversholt Rail (380) Limited
- Eversholt Rail (365) Limited
- European Rail Finance (2) Limited

The ultimate parent undertaking (which is the ultimate controlling party) is CK Hutchison Holdings Limited, incorporated in Cayman Islands. The parent undertaking of the largest and smallest group of undertakings for which group financial statements are drawn up and of which the Company is a member is CK Hutchison Holdings Limited. The immediate holding company is European Rail Finance Holdings Limited. The results of the Company are included in the Group financial statements of CK Hutchison Holdings Limited.

Copies of the Group financial statements of CK Hutchison Holdings Limited may be obtained from the following address (the registered office of the ultimate parent undertaking):

PO Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

#### **13.2 Transactions with related parties**

The Company has a loan account with a fellow group undertaking more fully described in note 10. Interest on this account for the year amounted to an expense of £909.

### **14 Contingent liabilities**

There were no contingent liabilities for the Company at 31 December 2017 (2016: nil).

### **15 Subsequent events**

There are no subsequent events requiring disclosure in the financial statements.