

**Directors' Report and  
Audited Financial Statements for the Year Ended 31 December 2020  
for  
FocusEducation Limited**

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for the Year Ended 31 December 2020**

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# **FocusEducation Limited**

## **Company Information for the Year Ended 31 December 2020**

**Directors:** Michael Donn  
Leo William McKenna  
Barry Millsom  
Christopher Thomas Solley

**Secretary:** Ailison Louise Mitchell

**Registered office:** C/O Albany SPC Services Ltd  
3rd Floor  
3 - 5 Charlotte Street  
Manchester  
M1 4HB

**Registered number:** 04119823 (England and Wales)

**Independent auditors:** PricewaterhouseCoopers LLP  
Manchester Hardman Sq  
1 Hardman Square  
Manchester  
M3 3EB

**Bankers:** Bank of Scotland  
11 Earl Grey Street  
Edinburgh  
EH3 9BN

**Solicitors:** CMS Cameron McKenna LLP  
Mitre House  
160 Aldergate Street  
London  
EC1A 4DD

**Directors' Report  
for the Year Ended 31 December 2020**

The directors present their report with the audited financial statements of the company for the year ended 31 December 2020.

**Principal activities**

The principal activities of the company is that of a holding company for its immediate subsidiaries which are engaged in the design, finance, construction and operation of certain school facilities and the provision of non educational services at a number of schools under concession agreements within the Private Finance Initiative.

**Result and dividend**

The company made a profit of £3,322,000 in the year (2019: £487,000).

The company paid a dividend of £3,322,000 in the year (2019: £487,000).

**Future developments**

The company will continue to be a holding company for PFI special purpose companies for the foreseeable future.

**Directors**

The directors during the year under review were:

Michael Donn  
Leo William McKenna  
Barry Millsom  
Christopher Thomas Solley

The directors holding office at 31 December 2020 did not hold any beneficial interest in the issued share capital of the company at 1 January 2020 or 31 December 2020.

**Corporate governance**

The Company is committed to high standards of corporate governance, as are appropriate for the longer term obligations to finance, construct and operate non-educational services for the new schools under the Private Finance Initiative programme.

**Strategic report**

The company has taken advantage of the exemption under section 414B of the Companies Act 2006 not to present a Strategic Report.

**Statement as to disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that so far as they are each aware there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Independent Auditors**

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

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**On behalf of the board:**

  
.....  
L McKenna - Director

Date: 09/07/21.

**Statement of Directors' Responsibilities  
for the Year Ended 31 December 2020**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with 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).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

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

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

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

# Independent auditors' report to the directors of FocusEducation Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, FocusEducation Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 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 Directors' Report and Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2020; 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.

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

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

### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

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

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

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to 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 deter irregularities;
- Review of board minutes;
- Challenging management on assumptions and judgements made in their significant accounting estimates;
- Identifying and testing journal entries to assess whether any of the journals appeared, 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 directors as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Companies Act 2006 exception reporting**

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

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

We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

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



Paul Cheshire (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Manchester

9 July 2021

**Statement of Comprehensive Income  
for the Year Ended 31 December 2020**

	Notes	2020 £'000	2019 £'000
<b>Turnover</b>		-	-
<b>Operating profit</b>		-	-
Income from shares in group undertakings		3,322	487
<b>Profit before taxation</b>		3,322	487
Tax on profit	4	-	-
<b>Profit for the financial year</b>		3,322	487
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		3,322	487

**Balance Sheet**  
**31 December 2020**

	Notes	2020 £'000	2019 £'000
<b>Fixed assets</b>			
Investments	7	101	101
<b>Total assets less current liabilities</b>		<u>101</u>	<u>101</u>
<b>Capital and reserves</b>			
Called up share capital	8	101	101
<b>Shareholders' funds</b>		<u>101</u>	<u>101</u>

The financial statements were approved by the Board of Directors and authorised for issue on  
9 July 2021 and were signed on its behalf by:



LEO MCKENNA

L McKenna - Director

**Statement of Changes in Equity  
for the Year Ended 31 December 2020**

	<b>Called up share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total equity £'000</b>
<b>Balance at 1 January 2019</b>	101	-	101
<b>Changes in equity</b>			
Total comprehensive income	-	487	487
Dividends	-	(487)	(487)
Total transactions with shareholders recognised directly in equity	-	(487)	(487)
<b>Balance at 31 December 2019</b>	101	-	101
<b>Changes in equity</b>			
Total comprehensive income	-	3,322	3,322
Dividends	-	(3,322)	(3,322)
Total transactions with shareholders recognised directly in equity	-	(3,322)	(3,322)
<b>Balance at 31 December 2020</b>	101	-	101

**Notes to the Financial Statements  
for the Year Ended 31 December 2020**

**1. Statutory information**

FocusEducation Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

FocusEducation Limited is a private company, limited by shares, registered and incorporated in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. Accounting policies**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

**Preparation of consolidated financial statements**

The financial statements contain information about the individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Consolidated Investments Holdings Limited.

**Related party exemption**

The company is wholly owned by Consolidated Investment Holdings Limited and has therefore taken 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.

**Going concern**

The company acts as a holding company for FocusEducation (Lincolnshire) Holdings Limited, FocusEducation (Newcastle) Holdings Limited, FocusEducation (Lambeth) Limited and FocusEducation (NMC) Limited. These companies have no immediate requirement for funding.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the annual report and financial statements.

**Significant accounting judgements and key sources of estimation uncertainty**

There are no accounting judgments or key sources of estimation uncertainty which are considered to be significant.

**Investments in subsidiaries**

Investments in subsidiaries and other undertakings are stated at cost less amounts written off.

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**2. Accounting policies - continued**

**Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

**Deferred tax**

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**3. Employees and directors**

There were no staff costs for the year ended 31 December 2020 nor for the year ended 31 December 2019.

There employed no staff in the year (2019: none). There was employment costs in the year (2019: £nil). The directors received no emoluments in the year (2019: £nil).

	2020	2019
	£	£
Directors' remuneration	-	-

The company had no employees in the year (2019: nil). The company did not incur any costs in relation to directors' emoluments (2019: £nil).

**4. Tax on profit**

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**4. Tax on profit - continued**

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Profit before tax	<b>3,322</b>	<b>487</b>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	<b>631</b>	<b>93</b>
Effects of: Income not taxable for tax purposes	<b>(631)</b>	<b>(93)</b>
Total tax charge	<b>-</b>	<b>-</b>

There was no deferred tax asset or liability at 31 December 2020

**5. Dividends**

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Ordinary (2019: 101,000) shares of £1 each		
Dividends	<b>3,322</b>	<b>487</b>

The company paid a final dividend of £32.89 per share in the current year (2019: £4.82). The total dividends paid during the year is £3,322,000 (2019: £487,000).

**6. Auditors' remuneration**

The audit fee for the year of £2,000 (2019: £2,000) has been charged to and paid for by the company's parent company, Consolidated Investment Holdings Limited. The company has not been recharged.

**7. Investments**

	<b>Shares in group undertakings £'000</b>
<b>Cost</b>	
At 1 January 2020	
and 31 December 2020	<b>101</b>
<b>Net book value</b>	
At 31 December 2020	<b>101</b>
At 31 December 2019	<b>101</b>

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**7. Investments - continued**

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**FocusEducation (Lincolnshire) Holdings Limited**

Registered office: 3rd Floor, 3 - 5 Charlotte Street, Manchester, M1 4HB

Nature of business: Holding Company

	% holding	2020	2019
Class of shares:	100.00	£'000	£'000
Ordinary		20	20
Aggregate capital and reserves		<u>20</u>	<u>20</u>

**FocusEducation (Lincolnshire) Limited**

Registered office: 3rd Floor, 3 - 5 Charlotte Street, Manchester, M1 4HB

Nature of business: PFI Contractor

	% holding	2020	2019
Class of shares:	100.00	£'000	£'000
Ordinary		(2,786)	(2,871)
Aggregate capital and reserves		(123)	89
(Loss)/profit for the year		<u>(123)</u>	<u>89</u>

**FocusEducation (Lambeth) Limited**

Registered office: 3rd Floor, 3 - 5 Charlotte Street, Manchester, M1 4HB

Nature of business: PFI Contractor

	% holding	2020	2019
Class of shares:	100.00	£'000	£'000
Ordinary		(789)	(911)
Aggregate capital and reserves		17	25
Profit for the year		<u>17</u>	<u>25</u>

**FocusEducation (NMC) Limited**

Registered office: 6th Floor, South Bank House, Barrow Street, Dublin 4, Ireland

Nature of business: PFI Contractor

	% holding	2020	2019
Class of shares:	100.00	£'000	£'000
Ordinary		(441)	673
Aggregate capital and reserves		1,252	1,041
Profit for the year		<u>1,252</u>	<u>1,041</u>

The presentation currency of FocusEducation (NMC) Limited is in euro.

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**7. Investments - continued**

**FocusEducation (Newcastle) Holdings Limited**

Registered office: 3rd Floor, 3 - 5 Charlotte Street, Manchester, M1 4HB

Nature of business: Holding Company

	%		
Class of shares:	holding		
Ordinary	100.00		
		<b>2020</b>	<b>2019</b>
		<b>£'000</b>	<b>£'000</b>
Aggregate capital and reserves		<b>37</b>	<b>37</b>
Profit for the year		<b>482</b>	<b>487</b>
		<u><u>          </u></u>	<u><u>          </u></u>

**FocusEducation (Newcastle) Limited**

Registered office: 3rd Floor, 3 - 5 Charlotte Street, Manchester, M1 4HB

Nature of business:

	%		
Class of shares:	holding		
Ordinary	100.00		
		<b>2020</b>	<b>2019</b>
		<b>£'000</b>	<b>£'000</b>
Aggregate capital and reserves		<b>(1,290)</b>	<b>(1,676)</b>
Profit for the year		<b>502</b>	<b>381</b>
		<u><u>          </u></u>	<u><u>          </u></u>

The net liabilities of the subsidiary companies are as a result of accounting for the fair value of interest rate swap agreements, the majority of which do not crystallise as liabilities for a number of years. The carrying amount of the investment is considered supported by the underlying profitability of the subsidiary undertakings.

**8. Called up share capital**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	<b>2020</b>	<b>2019</b>
			<b>£'000</b>	<b>£'000</b>
101,000	Ordinary (2019: 101,000)	£1	<b>101</b>	<b>101</b>
			<u><u>          </u></u>	<u><u>          </u></u>

The profit and loss account records retained earnings and accumulated losses.

**9. Ultimate parent company and ultimate controlling party**

The Company is a subsidiary undertaking of Consolidated Investment Holdings Limited which is the ultimate parent company incorporated in England and Wales.

The largest group in which the results of the Company are consolidated is that headed by Consolidated Investment Holdings Limited incorporated in England and Wales. No other group financial statements include the results of the Company. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The largest and smallest group in which the results of the Company are consolidated is that headed by Consolidated Investment Holdings Limited incorporated in England and Wales. No other group financial statements include the results of the Company. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

Consolidated Investment Holdings Limited is considered by the directors to be the ultimate controlling party.