

**Schools Investment Company (IRL) Limited**

**Report and Financial Statements**

**Year Ended 31 December 2002**

**Company number: 4212551**



# **Schools Investment Company (IRL) Limited**

## **Report and financial statements for the year ended 31 December 2002**

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### **Directors**

R McClatchey  
CJ Elliott  
A Matthews

### **Secretary and registered office**

Law Debenture Corporate Services Limited, 100 Wood Street, London,  
EC2V 7EX

### **Company number**

4212551

### **Accountants and business advisers**

Tenon Limited, Charnwood House, Gregory Boulevard, Nottingham, NG7 6NX

### **Auditors**

PricewaterhouseCoopers LLP, Southwark Towers, 32 London Bridge Street,  
London, SE1 9SY

## **Schools Investment Company (IRL) Limited**

### **Report of the directors for the year ended 31 December 2002**

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The directors present their report together with the audited financial statements for the year ended 31 December 2002.

#### **Results and dividends**

The company has not traded since incorporation, accordingly no profit and loss account is presented.

#### **Principal activity, review of business and future developments**

The company's principal activity is that of an intermediate holding company.

#### **Directors**

The directors of the company during the period were:

BRGG Smith (resigned 30 June 2002)

R McClatchey

CJ Elliott

A Matthews (appointed 16 May 2002)

No director had any interest in the share capital of the company.

#### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; 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 responsible for keeping proper accounting records which 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 1985. 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.

**Schools Investment Company (IRL) Limited**

**Report of the directors for the year ended 31 December 2002 (*Continued*)**

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**Auditors**

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 27 March 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors.

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

**On behalf of the Board**

**Director**

17 September 2003

A handwritten signature in black ink, appearing to read "Elliott", with a large, stylized initial "E" and a long, sweeping underline.

## **Schools Investment Company (IRL) Limited**

### **Independent auditor's report to the members of Schools investment Company (IRL) Limited**

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We have audited the financial statements on pages 4 to 7 which comprise the balance sheet, and the related notes, which have been prepared under the historical cost convention, as modified by the revaluation of certain assets, and the accounting policies set out on page 5.

#### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 1.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

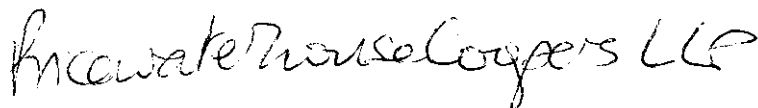
#### **Basis of audit opinion**

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2002 and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London, United Kingdom  
19 September 2003

Schools Investment Company (IRL) Limited

Balance sheet at 31 December 2002

	Note	2002 £	2001 £
<b>Fixed assets</b>			
Investments	2	283,260	232,116
<b>Current assets</b>			
Debtors	3	1	1
		<u>283,261</u>	<u>232,117</u>
<b>Capital and reserves – equity</b>			
Called up share capital	4	283,261	232,117
Shareholders' funds	5	<u>283,261</u>	<u>232,117</u>

The financial statements were approved by the Board on 17 September 2003.

Director

A handwritten signature in black ink, appearing to read 'Blott', is written over the 'Director' label. The signature is stylized and cursive.

The notes on pages 5 to 7 form part of these financial statements.

## Schools Investment Company (IRL) Limited

### Notes forming part of the financial statements for the year ended 31 December 2002

#### 1 Accounting policies

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards.

The principal accounting policies, which have remained unchanged throughout the year, are as follows:

##### *Valuation of investments*

Investments are stated at cost less any provision for a permanent diminution in value.

##### *Cash flow statement*

Under Financial Reporting Standard 1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

##### *Profit and loss account*

The profit and loss account has not been prepared as the company made neither a profit or a loss nor any other recognised gain or loss. The audit fee has been borne by another group undertaking and will not be recharged to the company.

#### 2 Fixed asset investments

	£
<i>Unlisted investments - cost and net book value</i>	
At 1 January 2002	232,116
Additions	51,144
At 31 December 2002	<u>283,260</u>

The company had invested in the following undertaking at the period end:

Name	% of equity control held	Country of incorporation	Nature of business
Schools Public Private Partnership (Ireland) Limited	50%	UK	Management, construction and operation of schools

Although the company's interest in the equity voting rights of the above investment is greater than 20%, the directors do not consider it to be a participating interest (within the meaning of Section 260, Companies Act 1985) and consequently not an associated undertaking since the company does not exercise significant influence over the activities of this investment.

**Schools Investment Company (IRL) Limited**

**Notes forming part of the financial statements for the year ended 31 December 2002**  
**(Continued)**

**3 Debtors**

	2002 £	2001 £
Amount owed by parent company	1	1
	<u>1</u>	<u>1</u>

**4 Share capital**

	Ordinary shares of £1 each Number
<b>Authorised share capital</b>	
At 31 December 2002 and 2001	500,000
<b>Issued, called up, and fully paid</b>	£
At 1 January 2002	232,117
Allotment of 56,504 ordinary shares of £1 each	51,144
At 31 December 2002	<u>283,261</u>

The rights of the company's ordinary shares are set out in the company's memorandum and articles of association.

**5 Reconciliation of movements in shareholders' funds**

	Year ended 31 December 2002 £	Period ended 31 December 2001 £
Opening shareholders funds	232,117	-
Issue of share capital	51,144	232,117
Closing shareholders funds	<u>283,261</u>	<u>232,117</u>



## **Schools Investment Company (IRL) Limited**

**Notes forming part of the financial statements for the year ended 31 December 2002**  
**(Continued)**

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### **6 Financial Commitments**

Financial commitments at the period end consisted of £6,044,192 (2001: £4,201,049) in relation to the purchase of loan stock which may be issued by Irish Schools Services Limited after 31 March 2006. This will be financed by the issuance of loan stock that the Company's parent has committed to purchase.

### **7 Related Party Transaction**

The Company has taken advantage of the exemption under the provisions of Financial Reporting Standard 8 ("FRS 8"), Related Party Disclosures not to disclose transactions with other group companies since the Company is a wholly owned subsidiary of Schools Investment Company Limited, the consolidated financial statements of which are publicly available. During the period there have been no transactions with related parties other than group companies.

### **8 Parent company**

The company's ultimate parent entity during the period was Barclays European Infrastructure Fund, a limited partnership. The parent undertaking of the smallest and largest group that presents group accounts is Schools Investment Company Limited. The address from which financial statements can be obtained, in respect of the above limited partnership and company is 5 The North Colonnade, Canary Wharf, London E14 4BB.