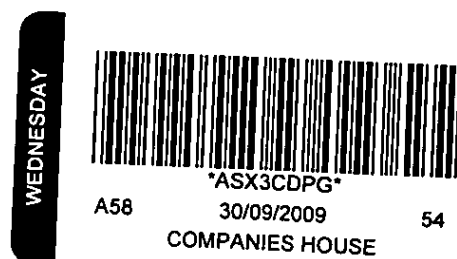


**Company Registration No. 4317596**

**PYRAMID SCHOOLS (TAMESIDE)  
HOLDINGS LIMITED**

**Report and Financial Statements**

**31 March 2009**



# **PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

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# **PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

R Goyal  
C Field  
K Gillespie  
R Dale

#### **SECRETARY**

W Roberts

#### **REGISTERED OFFICE**

Interserve House  
Ruscombe Park  
Twyford  
Reading  
Berkshire RG10 9JU

#### **BANKERS**

Bank of Scotland  
155 Bishopsgate  
London  
EC2M 3UB

#### **AUDITORS**

Deloitte LLP  
Chartered Accountants  
London

# **PRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 March 2009.

### **ACTIVITIES AND FUTURE PROSPECTS**

The company is a holding company with one wholly owned subsidiary undertaking, Pyramid Schools (Tameside) Limited. Pyramid Schools (Tameside) Limited undertakes a Private Finance Initiative (PFI) concession contract to design, build, finance and operate three schools for Tameside Metropolitan Borough Council. The schools have been in the operational phase throughout the current and preceding year.

The directors do not anticipate any change in this activity in the foreseeable future.

The group's operations are managed under the supervision of its shareholders and funders and are largely determined by the detailed terms of the PFI contract. For this reason, the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the performance or position of the business.

The PFI contract and related subcontracts are fixed for the life of the contract and this enables the group to have reasonable certainty over its income and expenditure for this period. In addition the group has a Credit Agreement in place with its lenders which fixes the level of borrowing and repayments due until the loan is fully repaid in 2029.

The directors have had prepared a detailed model forecast to project completion incorporating the relevant terms of the PFI contract, subcontracts and Credit Agreement and reasonably prudent economic assumptions. This forecast which is updated regularly predicts that the group will be profitable and will have sufficient cash resources to meet its obligations as they fall due.

Therefore the directors, having considered the financial position of the group and its expected future cash flows, have prepared the financial statements on the going concern basis.

### **FINANCIAL RISK MANAGEMENT**

The company has exposures to a variety of financial risks which are managed with the purpose of minimising any potential adverse effect on the company's performance.

The board has policies for managing each of these risks and they are summarised below:

#### **Interest rate risk**

The company hedged its interest rate risk at the inception of the project by swapping its variable rate debt into fixed rate by the use of an interest rate swap.

#### **Inflation risk**

The company's project revenue and most of its costs were linked to inflation at the inception of the project, resulting in the project being largely insensitive to inflation.

#### **Liquidity risk**

The company adopts a prudent approach to liquidity management by maintaining sufficient cash and liquid resources to meet its obligations. Due to the nature of the project, cash flows are reasonably predictable and so this is not a major risk area for the company.

#### **Credit risk**

The company receives the bulk of its revenue from a local authority and therefore is not exposed to significant credit risk.

Cash investments and interest rate swap arrangement are with institutions of a suitable credit quality.

# **PYRAMID SCHOLLS (TAMESIDE) HOLDINGS LIMITED**

## **DIRECTORS' REPORT (Continued)**

### **Environment**

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and implements policies via its sub-contractors to reduce any damage that might be caused by the company's activities.

### **Employees**

The company has no direct employees.

### **RESULTS**

The results of the group are as set out in the profit and loss account on page 6. The directors recommend the payment of a dividend of £150,000 (2008: £nil).

### **DIRECTORS**

The directors, who served throughout the year and at the date of this report, except as noted, are set out below:

R Goyal

R D Vince (resigned 31 December 2008)

C Field

T Dickie (resigned 6 June 2008)

Mark Lowry (resigned 30 September 2008)

K Gillespie (appointed 7 July 2008)

R Dale (appointed 31 December 2008)

None of the directors had any interests in the issued share capital of the group at 31 March 2009 or 31 March 2008.

### **AUDITORS**

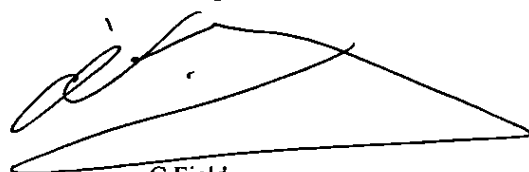
Each of the persons who is a director at the date of approval of this report confirms that:

- 1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- 2) 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 information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



C Field  
Director  
25 September 2009

## **PYRAMIS SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 that disclose with reasonable accuracy at any time the financial position of the company and to 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

We have audited the group and parent company financial statements of Pyramid Schools (Tameside) Holdings Limited for the year ended 31 March 2009 which comprise the consolidated profit and loss account, the group and company balance sheets, consolidated cashflow statement and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with the relevant financial reporting framework, and are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we also report to you if, in our opinion, 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 with the company and other members of the group and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 circumstances of the group and the company, 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and parent company's affairs as at 31 March 2009 and of the group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



**Deloitte LLP**

Chartered Accountants and Registered Auditors  
London, United Kingdom

Date: 25 September 2009

# **PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

## **CONSOLIDATED PROFIT AND LOSS ACCOUNT**

**Year ended 31 March 2009**

	<b>Note</b>	<b>2009 £'000</b>	<b>2008 £'000</b>
<b>TURNOVER</b>		2,181	1,968
Cost of sales		<u>(1,391)</u>	<u>(1,213)</u>
<b>GROSS PROFIT</b>		790	755
Administrative expenses		<u>(228)</u>	<u>(206)</u>
<b>OPERATING PROFIT</b>	2	562	549
Net finance charges	3	<u>(32)</u>	<u>(23)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		530	526
Tax on profit on ordinary activities	4	<u>(154)</u>	<u>(364)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u>376</u>	<u>162</u>

All activities derive from continuing operations.

There are no recognised gains or losses for the year other than items shown in the profit and loss account. Accordingly, no separate statement of recognised gains and losses has been presented.

As permitted by Section 230 of the Companies Act 1985, the company has not presented its own profit and loss account. The result of the company in the year was £nil.



# **PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

## **CONSOLIDATED BALANCE SHEET**

**31 March 2009**

	Note	2009 £'000	2008 £'000
<b>CURRENT ASSETS</b>			
Debtors – due within one year	6	563	148
Debtors – due after one year	6	16,992	17,109
Cash at bank and in hand		2,341	2,601
		<u>19,896</u>	<u>19,858</u>
<b>CREDITORS: amounts falling due within one year</b>	7	<u>(1,359)</u>	<u>(1,122)</u>
<b>NET CURRENT ASSETS AND TOTAL ASSETS LESS CURRENT LIABILITIES</b>		18,537	18,736
<b>CREDITORS: amounts due after one year</b>	8	(16,765)	(17,324)
Provisions for liabilities	9	<u>(808)</u>	<u>(674)</u>
<b>NET ASSETS</b>		<u>964</u>	<u>738</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	6	6
Profit and loss account	12	<u>958</u>	<u>732</u>
<b>SHAREHOLDERS' FUNDS</b>	13	<u>964</u>	<u>738</u>

These financial statements were approved by the Board of Directors on 25 September 2009.

Signed on behalf of the Board of Directors

C Field

Director

# PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED

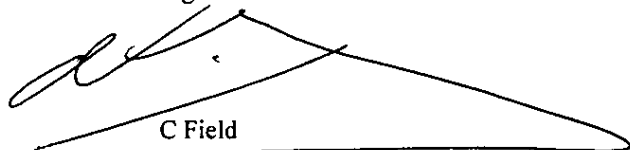
## COMPANY BALANCE SHEET

31 March 2009

	Note	2009 £'000	2008 £'000
<b>FIXED ASSETS</b>			
Investment in subsidiary undertaking	5	2,088	2,088
		<u>2,088</u>	<u>2,088</u>
<b>CREDITORS: amounts falling due after more than one year</b>	8	(2,082)	(2,082)
		<u>(2,082)</u>	<u>(2,082)</u>
<b>NET ASSETS</b>		<u>6</u>	<u>6</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	6	6
		<u>6</u>	<u>6</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>6</u>	<u>6</u>

These financial statements were approved by the Board of Directors on 25 September 2009.

Signed on behalf of the Board of Directors

  
C Field  
Director

# **PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

## **CONSOLIDATED CASH FLOW STATEMENT**

**Year ended 31 March 2009**

	<b>Note</b>	<b>2009 £'000</b>	<b>2008 £'000</b>
<b>Net cash inflow from operating activities</b>	<b>14</b>	<b>443</b>	<b>881</b>
<b>Returns on investments and servicing of finance</b>			
Interest paid		(1,292)	(1,328)
Interest received		1,282	1,327
		(10)	(1)
Dividend paid to shareholders		(150)	-
<b>Net cash inflow before financing</b>		<b>283</b>	<b>880</b>
<b>Financing</b>			
Secured senior loans repayment		(543)	(497)
<b>(Decrease)/increase in cash in the year</b>	<b>15</b>	<b>(260)</b>	<b>383</b>

# **PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

## **NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

### **1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted by the directors are described below. They have been applied consistently throughout the current and the preceding financial year, except as noted below.

#### **Going concern**

The financial statements are prepared on a going concern basis. As disclosed on page 2 the directors believe that the group has adequate resources to continue in operational existence for the foreseeable future.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **Group financial statements**

The group accounts consolidate the accounts of the company and its subsidiary undertaking.

#### **Turnover**

The company's turnover is derived from its primary activities wholly in the United Kingdom and comprises the total invoice value, excluding VAT, of services rendered and is recognised as the applicable portions of the amounts receivable relating to the finance costs and calculated on a consistent basis.

#### **Accounting for PFI contracts (stock)**

During the period of construction, costs incurred as a direct consequence of financing, designing and constructing the schools, including finance costs, are shown as work in progress. On completion of the construction, credit is taken for the deemed sale, which is recorded within turnover. The construction expenditure and associated costs are reallocated to cost of sales. Amounts receivable are classified as a financial asset receivable (PFI contract).

Revenues received from the customer are apportioned between:

- capital repayments;
- finance income; and
- operating revenue.

#### **Investments**

Investments held as fixed assets are stated at cost plus loans, less provision for impairment.

#### **Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### **Bank borrowings**

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the profit or loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

# PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 1. ACCOUNTING POLICIES (CONTINUED)

#### Derivative financial instruments

The group holds derivative financial instruments which have the effect of fixing the interest rate payable on bank borrowings. Amounts payable or receivable in respect of interest rate derivatives are recognised as adjustments to interest over the period of the contract.

### 2. OPERATING PROFIT

	Group		Company	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
This is stated after charging				
Auditors' remuneration - audit services for the audit of the company accounts	1	1	1	1
- other services pursuant to legislation, audit of subsidiary accounts	11	5	-	-
Total audit fees	<u>12</u>	<u>6</u>	<u>12</u>	<u>6</u>

The group and company had no employees during the year (2008: nil). Service fees are payable to the company's ultimate shareholders for the directors' services to the company during the year.

### 3. NET FINANCE CHARGES

	2009	2008
	£'000	£'000
Interest receivable and similar income:		
Bank interest	105	144
Interest receivable on financial asset	<u>1,177</u>	<u>1,183</u>
Net interest receivable	<u>1,282</u>	<u>1,327</u>
Interest payable and similar charges:		
Swaps debt	103	77
Senior debt	(1,129)	(1,139)
Loan stock	(266)	(266)
Amortisation of issue costs	<u>(22)</u>	<u>(22)</u>
	<u>(1,314)</u>	<u>(1,350)</u>
Net interest payable	<u>(32)</u>	<u>(23)</u>

# **PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

## **NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

### **4. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
United Kingdom corporation tax at 30%	(20)	-
Prior year adjustment	-	30
	<u>(20)</u>	<u>30</u>
Current tax charge for the year (see below)	(20)	30
Deferred tax:		
Timing differences, origination and reversal	(134)	(394)
	<u>(154)</u>	<u>(364)</u>
Total tax for the year	<u>(154)</u>	<u>(364)</u>
<b>Factors affecting the tax charge in the year:</b>		
Profit on ordinary activities before tax	530	526
	<u>530</u>	<u>526</u>
Tax charge on profit on ordinary activities before tax at standard rate of 28% (2008: 30%)	(148)	(158)
Contract income posted directly to the balance sheet	(29)	(27)
Capital allowances in excess of depreciation	157	220
Tax losses not utilised	-	(35)
Prior year adjustment	-	30
	<u>(20)</u>	<u>30</u>
Current tax for the year	<u>(20)</u>	<u>30</u>

### **5. INVESTMENT IN SUBSIDIARY UNDERTAKING**

	<b>Company</b>	
	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Balance brought forward and carried forward	2,088	2,088
	<u>2,088</u>	<u>2,088</u>

The company's subsidiary undertaking, Pyramid Schools (Tameside) Limited, is wholly owned and incorporated in Great Britain. Its activity is to provide design, build, finance and operate the services under a Private Finance Initiative concession contract.

### **6. DEBTORS**

	<b>Group</b>	
	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
<b>Due within one year:</b>		
Trade debtors	406	29
Accrued income	41	17
Financial asset	116	102
	<u>563</u>	<u>148</u>
<b>Due after one year:</b>		
Financial asset	16,992	17,109
	<u>16,992</u>	<u>17,109</u>
<b>Total debtors</b>	<u>17,555</u>	<u>17,257</u>

# **PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED**

## **NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

### **7. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR**

	<b>Group</b>	
	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Senior secured loan (net of unamortised issue costs) (see note 8)	558	521
Trade creditors	-	27
Accruals and deferred income	700	480
VAT liability	81	94
Corporation tax	(20)	-
	<u>1,359</u>	<u>1,122</u>

### **8. CREDITORS: AMOUNTS DUE AFTER ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Subordinated loan stock - repayable after five years	2,082	2,082	2,082	2,082
<b>Senior secured loan:</b>				
Repayable between two and five years	2,332	2,322	-	-
Repayable after five years	12,583	13,173	-	-
	<u>16,997</u>	<u>17,577</u>	<u>2,082</u>	<u>2,082</u>
Less: unamortised issue costs	(232)	(253)	-	-
	<u>16,765</u>	<u>17,324</u>	<u>2,082</u>	<u>2,082</u>

The secured senior loan represents amounts borrowed under a facility agreement with a bank. The loan bears interest at a margin over LIBOR and is repayable in instalments between 2003 and 2028. The loan is secured by fixed and floating charges over the property, assets and rights of the company, and has certain covenants attached.

The subordinated loan stock represents loan notes issued by a bank and a shareholder. The loan notes bear interest at 12.75% and repayment is due between September 2029 and September 2030.

In order to hedge against interest variations on the senior secured loan, the company has entered into an interest rate swap agreement with a bank whereby at monthly intervals sums are exchanged reflecting the difference between floating and fixed interest rates calculated on a predetermined notional principal amount.

### **9. PROVISION FOR LIABILITIES**

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Deferred tax (note 10)	<u>808</u>	<u>674</u>

# PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 10. DEFERRED TAX

	2009 £'000	2008 £'000
Opening balance	674	280
Prior year adjustment	(12)	268
Current year	146	174
Movement due to restating closing balance	-	(48)
Closing balance	808	674
Deferred tax consists of the following:		
Depreciation in excess of capital allowances	(657)	(666)
Deferred receipts under contract	1,869	1,880
Losses	(404)	(540)
Deferred tax liability	808	674

### 11. CALLED UP SHARE CAPITAL

	2009 £'000	2008 £'000
Authorised, called up, allotted and fully paid: 6,000 ordinary shares of £1 each	6	6

### 12. PROFIT AND LOSS ACCOUNT

	2009 £'000	2008 £'000
Profit and loss brought forward	732	570
Profit for the year	376	162
Dividend paid	(150)	
Profit and loss carried forward	958	732

### 13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2009 £'000	2008 £'000
Shareholder's funds brought forward	738	576
Profit for the year	376	162
Dividend paid	(150)	
Shareholders' funds carried forward	964	738

There were no other movements on reserves other than the profit for the year as stated above.



# PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 14. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2009 £'000	2008 £'000
Operating profit	562	549
(Increase)/Decrease in debtors	(299)	111
Increase in creditors	180	221
Net cash inflow from operating activities	<u>443</u>	<u>881</u>

### 15. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	Note	2009 £'000	2008 £'000
(Decrease)/increase in cash in the year		(260)	383
Cash flow from loan financing		<u>543</u>	<u>497</u>
		283	880
Other non-cash changes		(21)	(22)
Net debt brought forward		<u>(15,244)</u>	<u>(16,102)</u>
Net debt at end of year	16	<u>(14,982)</u>	<u>(15,244)</u>

### 16. ANALYSIS OF NET DEBT

	31 March 2008 £'000	Cash flows £'000	Non-Cash flows £'000	31 March 2009 £'000
Cash at bank	2,601	(260)	-	2,341
Cash inflow from loan financing:				
Repayable within one year	(521)	543	(580)	(558)
Repayable after more than one year	<u>(17,324)</u>	<u>-</u>	<u>559</u>	<u>(16,765)</u>
	<u>(15,244)</u>	<u>283</u>	<u>(21)</u>	<u>(14,982)</u>

### 17. CONTROLLING PARTIES

The immediate parent companies are Interserve PFI Holdings Ltd and Uberior Infrastructure Investments Ltd who each hold 50% of the company. The ultimate parent companies are Interserve Plc and Bank of Scotland. In the opinion of the directors neither company is a controlling party.

# PYRAMID SCHOOLS (TAMESIDE) HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 18. RELATED PARTY TRANSACTIONS

Parties	Services	Amounts purchased during the year ended 31 March 2009 £'000	Amounts payable at 31 March 2009 £'000	Amounts purchased during the year ended 31 March 2008 £'000	Amounts payable at 31 March 2008 £'000
Interserve Plc and its subsidiary undertakings	Construction and management services	1,361	-	1,216	23
Bank of Scotland	Services	16	-	6	-

Amounts payable at 31 March 2009 and 31 March 2008 are included within trade creditors and accruals.

The company has taken advantage of the exemptions in FRS 8 "Related Party Disclosures" not to disclose transactions with group undertakings.

### 19. FINANCIAL INSTRUMENTS – INTEREST RATE SWAP

	2009 £'000	2008 £'000
Fair value of interest rate swap at period end (Adverse)	(2,486)	(874)

On 19 June 2002 the company entered into a twenty five year fixed interest rate swap arrangement to hedge its exposure to the effect of interest rate fluctuations.

The swap was effected on a notional amount of £18,102,820 payable in semi-annual amounts between 30 September 2003 and 30 September 2027.