

Priorgate Holdings Limited

Annual report and financial statements
for the year ended 31 March 2010

Registration number: 4800642



Priorgate Holdings Limited

Annual report and financial statements for the year ended 31 March 2010

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Priorgate Holdings Limited

Directors and advisors

Directors

A E Birch

P McCulloch

I R Gethin (Alternate Director)

S P Hornby (Alternate Director)

Company secretary

Semperian Secretariat Services Limited

Registered office

St Martins House

1 Gresham Street

London

EC2V 7BX

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Cornwall Court

19 Cornwall Street

Birmingham

B3 2DT

Priorgate Holdings Limited

Registration number: 4800642

Directors' report for the year ended 31 March 2010

The directors present their annual report and the audited financial statements for the year ended 31 March 2010

Results, principal activities and review of the business

The principal activity of the company, is the holding of an investment in Priorgate Limited, a company whose principal activity is the provision of two serviced schools to Sheffield City Council, under a Private Finance Initiative ('PFI'), contract, for the period to July 2030. The project met the target date for education services to commence in April 2005.

The profit for the year is presented in the profit and loss account on page 5. The directors consider the result satisfactory and expect similar results going forward.

Dividends and transfers to reserves

Dividends of £157,000 were paid during the year (2009: £351,937). The directors consider the performance of the company during the year, the financial position at the end of the year and the prospects for the future to be satisfactory. A further dividend of £135,000 was paid on 30 April 2010.

Principal risks and uncertainties, financial risk management and key performance indicators ('KPIs')

As described above Priorgate Holdings Limited acts as a holding company for its subsidiary, Priorgate Limited. As such the principal risks, financial risk management and key performance indicators adopted by Priorgate Limited are applicable to the management of Priorgate Holdings Limited's investment in its subsidiary and are detailed in the Directors' Report of the financial statements for Priorgate Limited for the year ended 31 March 2010.

In addition, the holding company also takes the risk of impairment of its investment in the subsidiary. This risk is directly related to the performance of the subsidiary.

Directors

The directors of the company during the year, and up to the date of signing the financial statements, are set out below:

A E Birch
P McCulloch
I R Gethin (Alternate Director)
S P Hornby (Alternate Director)

Priorgate Holdings Limited

Director's report for the year ended 31 March 2010 (continued)

Director's responsibility statement

The directors are responsible for preparing the Directors' 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). 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 period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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,
- 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 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.

Statement of disclosure of information to auditors

In the case of each director in office at the date the directors' report is approved, so far as the director is aware, there is no relevant audit information of which PricewaterhouseCoopers LLP ('PwC') are unaware, and the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information, and to establish that PwC are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors, have signified their willingness to continue in office.

By order of the board


KIM CLEAR
On behalf of Semperian Secretariat Services Limited
Company secretary

24 MAY 2010

Independent auditors' report to the members of Priorgate Holdings Limited

We have audited the financial statements of Priorgate Holdings Limited for the year ended 31 March 2010 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

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. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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.



Paul Nott (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

9 June 2010

Priorgate Holdings Limited

Profit and loss account for the year ended 31 March 2010

		Year ended 31 March 2010	Year ended 31 March 2009
	Notes	£	£
Income from shares in group undertaking		157,000	351,937
Operating profit	2	157,000	351,937
Interest receivable and similar income	3	337,450	342,962
Interest payable and similar charges	4	(337,450)	(342,962)
Profit on ordinary activities before taxation		157,000	351,937
Tax on profit on ordinary activities	5	-	-
Profit for the year	13	157,000	351,937

The company has been engaged solely in continuing activities in a single class of business within the United Kingdom

There is no difference between the profit as shown in the profit and loss account and its historical cost equivalent. The movement on reserves is shown in note 13 to the financial statements.

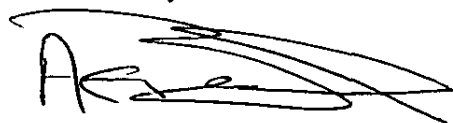
The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

Priorgate Holdings Limited

Balance sheet as at 31 March 2010

	Note	31 March 2010 £	31 March 2009 £
Fixed assets			
Investment in subsidiary undertaking	7	10,000	10,000
Current assets			
Debtors amounts falling due within one year	8	165,070	165,052
Debtors amounts falling due after more than one year	9	2,506,689	2,531,646
		2,671,759	2,696,698
Creditors amounts falling due within one year	10	(165,070)	(165,052)
Net current assets		2,506,689	2,531,646
Total assets less current liabilities		2,516,689	2,541,646
Creditors amounts falling due after more than one year	11	(2,506,689)	(2,531,646)
Net assets		10,000	10,000
Capital and reserves			
Called up share capital	12	10,000	10,000
Profit and loss reserve	13	-	-
Total shareholder's funds	13	10,000	10,000

The financial statements on pages 5 to 12 were approved by the board on 24 MAY 2010 and signed on its behalf by



Director

A BIRCH

24 MAY 2010

Priorgate Holdings Limited

Notes to the financial statements for the year ended 31 March 2010

1 Principal accounting policies

A summary of the company's principal accounting policies, which have been consistently applied, is set out below

Basis of preparation of accounts

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The company is exempt from the requirement to prepare consolidated financial statements, under section 400 of the Companies Act 2006, as its results are included in the consolidated financial statements of Semperian PPP Investment Partners Holdings Limited.

Investment income

Investment income includes dividends and interest receivable. Dividends are included in income when paid by the paying company. Interest receivable is included in income on an accruals basis. Interest receivable includes the amortisation of any premium or discount on the purchase of the loan which has been spread over the life of the loan to determine a constant effective interest rate.

Investments

Investments in subsidiary undertakings are stated at cost less an appropriate provision to reflect any impairment in the value of the investments.

Cash flow statement

Under Financial Reporting Standard 1 (revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds that the company's intermediate parent undertaking, Semperian PPP Investment Partners Holdings Limited, prepares a consolidated cash flow statement, in which the company's cash flows are included.

2 Operating profit

The company had no employees, other than the directors, during the year (2009: none). The emoluments of the directors are paid by the controlling parties. The directors' services to this company and to a number of fellow group companies are primarily of a non-executive nature and their emoluments are deemed to be wholly attributable to the controlling parties. The controlling parties charged £nil (2009: £nil) to the company in respect of these services.

The audit fees in respect of the company, of £2,000 (2009: £3,120) for the current and preceding year, have been borne by Priorgate Limited and not recharged to the company.

Priorgate Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

3 Interest receivable and similar income

	Year ended 31 March 2010	Year ended 31 March 2009
	£	£
Interest receivable from subsidiary undertaking	337,450	342,962

4 Interest payable and similar charges

	Year ended 31 March 2010	Year ended 31 March 2009
	£	£
Interest payable to group undertakings	337,450	342,962

Priorgate Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

5 Tax on profit on ordinary activities

a) Analysis of tax for the year

	Year ended 31 March 2010	Year ended 31 March 2009
	£	£
Current tax:	-	-
Tax on profit on ordinary activities	-	-

b) Factors affecting current tax charge

The tax assessed for the year is equal to (2009 equal to) than the standard rate of corporation tax in the UK of 28%. The differences are explained below

Profit on ordinary activities before taxation	157,000	351,937
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28%	43,960	98,542
Non – taxable (income)	(43,960)	(98,542)
	-	-

c) Factors that may affect future tax charges

The current tax charge will continue to be affected by timing differences on the project asset, although these timing differences will have an opposite impact on the deferred tax charge so there should be no overall impact on the tax charge

6 Dividends paid

	Year ended 31 March 2010	Year ended 31 March 2009
	£	£
Dividends paid £15.70 (2009 £35.19) per share	157,000	351,937

Priorgate Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

7 Investments in subsidiary undertaking

	31 March 2010	31 March 2009
	£	£
Shares in subsidiary undertaking at cost		
At 1 April 2009 and at 31 March 2010	10,000	10,000

The investment represents 100% of the issued ordinary share capital of Priorgate Limited

Priorgate Limited is incorporated in England & Wales and is a company whose activities include the provision of two serviced schools to Sheffield City Council

8 Debtors: amounts falling due within one year

	31 March 2010	31 March 2009
	£	£
Intercompany loan to subsidiary undertaking	24,957	21,942
Accrued income	140,113	143,110
	165,070	165,052

9 Debtors: amounts falling due after more than one year

	31 March 2010	31 March 2009
	£	£
Intercompany loan to subsidiary undertaking	2,506,689	2,531,646

The loan to subsidiary undertaking is repayable by 50 semi-annual instalments, which commenced in March 2007, is unsecured and has an interest rate fixed at 13.29% per annum

Priorgate Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

10 Creditors: amounts falling due within one year

	31 March 2010	31 March 2009
	£	£
Shareholder loans	24,957	21,942
Accruals and deferred income	140,113	143,110
	165,070	165,052

11 Creditors: amounts falling due after more than one year

a) Total	31 March 2010	31 March 2009
	£	£
Shareholder loans	2,506,689	2,531,646
b) Maturity of debt		
Less than one year	24,957	21,942
Between one and two years	28,387	24,957
Between two and five years	110,783	97,399
In more than five years	2,367,519	2,409,290
	2,531,646	2,553,588

The shareholder loans are unsecured and are repayable by 50 semi-annual instalments, which commenced in March 2007. The interest rate is fixed at 13.29% per annum.

Priorgate Holdings Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

12 Called up share capital

	31 March 2010	31 March 2009
Authorised, allotted, called up and fully paid	£	£
10,000 Ordinary shares of £1 each	10,000	10,000

13 Reconciliation of movements in total shareholder's funds and reserves

	Share capital	Profit & loss account	Total shareholder's funds
	£	£	£
At 1 April 2008	10,000	-	10,000
Profit for the year	-	351,937	351,937
Dividends paid (note 6)	-	(351,937)	(351,937)
At 1 April 2009	10,000	-	10,000
Profit for the year	-	157,000	157,000
Dividends paid (note 6)	-	(157,000)	(157,000)
At 31 March 2010	10,000	-	10,000

14 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Semperian PPP Investment Partners No 2 Limited, which is registered in England and Wales

The ultimate parent undertaking and ultimate controlling party, at the year end, was Semperian PPP Investment Partners Holdings Limited which is registered in Jersey. The smallest group and largest group to consolidate these financial statements is Semperian PPP Investment Partners Holdings Limited

Consolidated financial statements for Semperian PPP Investment Partners Holdings Limited can be obtained from the Company Secretary at St Martins House, 1 Gresham Street, London, EC2V 7BX

15 Related party disclosures

As a wholly owned subsidiary of Semperian PPP Investment Partners Holdings Limited, the company has taken advantage of the exemption under Financial Reporting Standard 8 of the requirement to disclose transactions between it and other group companies