

Company Registration No. 05000060 (England and Wales)

QED (LEEDS) HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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QED (LEEDS) HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Mr B Dean Mr A Watson (Appointed 19 April 2016)
Secretary	HCP Management Services Limited
Company number	05000060
Registered office	8 White Oak Square London Road Swanley Kent BR8 7AG
Auditor	KPMG LLP 66 Queen Square Bristol BS1 4BE

QED (LEEDS) HOLDINGS LIMITED

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QED (LEEDS) HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities

The company is, and will continue to be, a holding company with a single subsidiary, QED (Leeds) Limited. The principal activity of the subsidiary continued to be that of designing, financing and operating ten primary schools in Leeds under a 27-year contract with Leeds City Council ("the Authority"). All of the schools within the project are now in their eleventh year of operation.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Graham	(Resigned 19 April 2016)
Mr B Dean	
Mr A Watson	(Appointed 19 April 2016)

Financial reporting, risks and internal controls

The company has outsourced the financial reporting function to HCP Management Services Limited ("HCP"). Authorities remain vested in the Board members of the company. HCP reports regularly to the Board of the company. The Board receives quarterly reports from HCP which specifically summarise and address the financial, contractual and commercial risks that the company is exposed to, and are pertinent to the industry in which the company operates. The Board also receives bi-monthly management accounts with explanations of variances from annual budgets and forecasts, which are in turn compared to the Financial Model, which represents the long term business plan of the company and outlines its ability to comply with its debt obligations and covenants. Material deviations from the business plan are investigated and reported on. Supporting this process, HCP evaluates its performance under the framework of an Internal Audit and Assessment programme which sits within its own Corporate Governance framework. This process ensures that the project remains robust and viable throughout the life of the contract.

Employees

The company had no employees during the year (2015: nil).

Auditor

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. Accordingly no strategic report has been prepared.

On behalf of the board



Mr B Dean

Director

20 June 2017

QED (LEEDS) HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2016

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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF QED (LEEDS) HOLDINGS LIMITED

We have audited the financial statements of QED (Leeds) Holdings Limited for the year ended 31 December 2016 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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, and express an opinion on, 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' Report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF QED (LEEDS) HOLDINGS LIMITED (CONTINUED)

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the Director's Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Huw Brown (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

28 June 2017

QED (LEEDS) HOLDINGS LIMITED

STATEMENT OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £'000	2015 £'000
Interest receivable and similar income	6	69	48
Profit before taxation		<u>69</u>	<u>48</u>
Taxation		-	-
Profit for the financial year		<u>69</u>	<u>48</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>69</u></u>	<u><u>48</u></u>

The accompanying notes on pages 8 to 10 form an integral part of the financial statements.

The Statement of Total Comprehensive Income has been prepared on the basis that all operations relate to continuing operations.

QED (LEEDS) HOLDINGS LIMITED

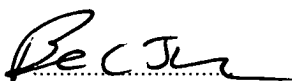
BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £'000	2015 £'000
Fixed assets			
Investments	7	1	1
		==	==
Capital and reserves			
Called up share capital	8	1	1
		==	==

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 20 June 2017 and are signed on its behalf by:



Mr B Dean
Director

Company Registration No. 05000060

QED (LEEDS) HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 January 2015	1	-	1
Year ended 31 December 2015:			
Profit and total comprehensive income for the year	-	48	48
Dividends	-	(48)	(48)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2015	1	-	1
Year ended 31 December 2016:			
Profit and total comprehensive income for the year	-	69	69
Dividends	-	(69)	(69)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2016	<u>1</u>	<u>-</u>	<u>1</u>

QED (LEEDS) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

QED (Leeds) Holdings Limited is a private company limited by shares incorporated in England and Wales, in the UK. The registered office is 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG.

1.1 Accounting convention

These financial statements have been prepared in accordance with section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as applicable to small entities and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have reviewed a cash flow forecast covering the remainder of the subsidiary's, QED (Leeds) Limited, contract period and taking into account reasonable possible risks in operations and the fact the obligations of the subsidiary's sole customer are underwritten by the Secretary of State for Education, they believe that the company will be able to settle its liabilities as they fall due for the foreseeable future and therefore it is appropriate to prepare these financial statements on the going concern basis. The company has adequate resources to continue in its role as a holding company.

1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.4 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2 Judgements and key sources of estimation uncertainty

The directors feel that there are no significant judgements made, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

QED (LEEDS) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

3 Auditor's remuneration

The audit fee is paid by the company's 100% subsidiary. The directors estimate the fee attributable to the company to be £1,000 (2015: £1,000).

4 Employees

The company had no employees (including directors) during the current or prior year.

5 Directors' remuneration

The directors received no remuneration during the year (2015: £Nil).

6 Interest receivable and similar income

	2016 £'000	2015 £'000
Interest receivable and similar income includes the following:		
Income from shares in group undertakings	69	48

Dividend income is not taxable.

7 Fixed asset investments

	2016 £'000	2015 £'000
Investments	1	1

The company holds 100% of the ordinary share capital in QED (Leeds) Limited, which is incorporated in Great Britain and registered in England and Wales. The registered address of QED (Leeds) Limited is 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG.

During the year the company received dividends of £69,000 (2015: £48,000) from QED (Leeds) Limited.

Movements in fixed asset investments

	Shares £'000
Cost	
At 1 January 2015, 31 December 2015 & 31 December 2016	1
Carrying amount	
At 31 December 2016	1
At 31 December 2015	1

QED (LEEDS) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Share capital

	2016 £'000	2015 £'000
Ordinary share capital		
Issued and fully paid		
1000 shares of £1 each	1	1

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

9 Parent company

As at 31 December 2016, the company was 54% was owned by Innisfree Nominees Ltd acting as nominee for Innisfree PFI Secondary Fund 2 LP, a Limited Partnership and 46% Innisfree Nominees Ltd acting as nominee for Innisfree PFI Secondary Fund, a Limited Partnership both of which are incorporated in Great Britain and registered in England and Wales. In the director's opinion, the ultimate parent undertaking and controlling party was Innisfree PFI Secondary Fund 2 LP. The registered office of Innisfree PFI Secondary Fund 2 LP is 1st Floor Boundary House, 91-93 Charterhouse Street, London, EC1M 6HR .

The accounts of the company are not consolidated in the accounts of any other entity.