

**QED (Leeds) Holdings Limited**

**Directors' report and Financial Statements**

**Registered number 05000060**

**For the year ended 31 December 2014**

MONDAY



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**QED (Leeds) Holdings Limited**

**Company information**

**Directors**

J Graham

B Dean

**Company Secretary**

HCP Management Services Limited

**Registered Office**

8 White Oak Square

London Road

Swanley

Kent BR8 7AG

**Auditor**

KPMG LLP

100 Temple Street

Bristol

BS1 6AG

**Registered Number**

05000060

## **Strategic report**

The directors present their strategic report for the year ended 31 December 2014.

### **Review of business**

The company is, and will continue to be, a holding company with a single subsidiary, QED (Leeds) Limited. The subsidiary signed a 27-year contract with Leeds City Council for the construction of ten primary schools. All schools are now in their ninth year of operation.

### **Financial performance and financial position**

The company made a pre tax profit of £108,000 (2013: £457,000). At 31 December 2014 the company had net assets of £1,000 (2013: £1,000).

During the year the company received and paid a dividend of £108,000 (2013: £457,000).

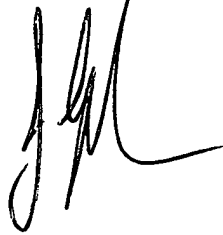
### **Principal risks and uncertainties**

There are no principal risks or uncertainties facing the company at this stage of the project.

Due to the nature of the business, in the opinion of the directors there are no key performance indicators whose disclosure is necessary for an understanding of the development, performance or position of the business.

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

**J Graham**  
Director  
09/06/2015



8 White Oak Square  
London Road  
Swanley  
Kent BR8 7AG

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

### **Dividend**

The directors recommended a dividend which was paid during the year of £108,000 (2013: £457,000).

### **Directors and their interests**

J Graham  
B Dean

### **Employees**

There were no employees during the year (2013: Nil).

### **Financial Instruments**

The company does not hold any financial instruments that involve financial risk management (including price risk, credit risk, liquidity risk and cash flow risk) or any instrument that requires a hedge accounting policy.

### **Financial reporting**

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 monthly 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 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.

### **Contributions for charitable and political purposes**

The company made no political or charitable donations during the period (2013: £Nil).

### **Disclosure of information to auditor**

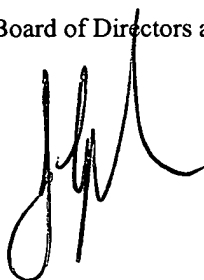
Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

### **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.

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

**J Graham**  
Director  
09/06/2015



8 White Oak Square  
London Road  
Swanley  
Kent BR8 7AG  
Registered number: 05000060

## **Statement of directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements**

The directors are responsible for preparing the Strategic Report, 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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;
- 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 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 2014 set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 on page 4, 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](http://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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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 Strategic Report and 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.



**Amanda Moses (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
100 Temple Street  
Bristol  
BS1 6AG

26 June 2015

**Profit and Loss Account**

*for the year ended 31 December 2014*

	Notes	2014 £000	2013 £000
Income from shares in group undertakings		108	457
Profit on ordinary activities before taxation		<u>108</u>	<u>457</u>
Taxation	5	-	-
Profit for the financial year	8	<u>108</u>	<u>457</u>

All gains and losses are recognised in the profit and loss account.

All activities relate to continuing operations.

The notes on pages 9 to 11 form part of these financial statements.



**Reconciliation of Movement in Shareholders' Funds**

*for the year ended 31 December 2014*

	<b>2014</b> <b>£000</b>	<b>2013</b> <b>£000</b>
Profit for the year	<b>108</b>	<b>457</b>
Dividends on shares classified as shareholders' funds	<b>(108)</b>	<b>(457)</b>
Net movement in shareholders' funds	<u>-</u>	<u>-</u>
Opening shareholders' funds at 1 January 2014	<b>1</b>	<b>1</b>
Closing shareholders' funds as at 31 December 2014	<u><b>1</b></u>	<u><b>1</b></u>

The notes on pages 9 to 11 form part of these financial statements.

**Balance Sheet**

**31 December 2014**

	Notes	2014 £000	2013 £000
<b>Fixed assets</b>			
Investments	6	1	1
<b>Net assets</b>		<u>1</u>	<u>1</u>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Profit and loss account	8	-	-
<b>Equity shareholders' funds</b>		<u>1</u>	<u>1</u>

The notes on pages 9 to 11 form part of these statements.

These financial statements were approved by the Board of Directors on 09/06/2015.

Signed on behalf of the Board of Directors

**J Graham**

*Director*

Registered Number: 05000060



## **Notes**

*(forming part of the financial statements)*

### **1. Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards and under historical cost accounting rules.

The Company is exempt, by virtue of its size, subject to the small companies regime of the Companies Act 2006, from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

The Directors have reviewed the cash flow forecast for the Company and its subsidiary undertaking and taking into account reasonable possible risks in operations to the Company and the fact the obligations of the Company's sole customer are underwritten by the Secretary of State for Education 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.

As the company wholly owns its subsidiary, QED Leeds Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned entities which form part of the group.

### **2. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

#### **Taxation**

Deferred taxation is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### **Investments**

Investments in subsidiary undertakings are shown at cost less amounts written off.

### **3. Information regarding directors and employees**

The company had no employees (including directors) during the current period.

None of the directors received any remuneration during the current period. Amounts payable in respect of the services of directors are included in the accounts of the company's subsidiary.

**Notes** *(continued)*

**4. Operating Result**

The audit fee is paid by the Company's 100% subsidiary. The directors estimate the fee attributable to the Company to be £1,000 (2013: £1,000).

**5. Taxation**

	2014 £000	2013 £000
<b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before tax	108	457
Tax charge on profit on ordinary activities at the standard rate of corporation tax in the UK of 21.5 % (2013: 23.25%)	23	106
Income not taxable	(23)	(106)
<b>Current tax charge</b>	-	-

*Factors that may affect future tax charges*

A reduction in the UK corporation tax rate to 21% (effective 1 April 2014) was substantively enacted on 3 July 2013. Further reduction to 20% (effective from 1 April 2015) was also substantively enacted on 2 July 2013. This will reduce the Company's future current tax charge accordingly.

**6. Investments**

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.

During the year the Company received dividends of £108,000 (2013: £457,000) from QED (Leeds) Limited.

**Notes** *(continued)*

**7. Called up share capital**

	<b>2014</b>	2013
	<b>£000</b>	£000
<b>Called up, allotted and fully paid:</b>		
1,000 ordinary shares of £1 each	<b>1</b>	<b>1</b>
	<u>1</u>	<u>1</u>

**8. Reserves**

	<b>Profit and loss account £000</b>
Opening reserves at 1 January 2014	-
Profit for the financial year	108
Dividends on shares classified in shareholders' funds	(108)
<b>Closing reserves at 31 December 2014</b>	<u>-</u>

**9. Ultimate parent company**

As at 31 December 2014, the company was owned 54% by Innisfree Nominees Ltd acting as nominee for Innisfree PFI Secondary Fund 2 LP, a Limited Partnership, and 46% by 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 directors' opinion, the ultimate parent undertaking and controlling party was Innisfree PFI Secondary Fund 2 LP.

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