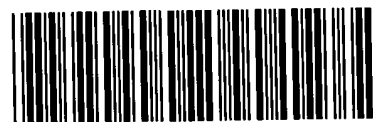


Company Registration No. 05358400 (England and Wales)

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE
LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

THURSDAY



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COMPANIES HOUSE

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

COMPANY INFORMATION

Directors	Mr R Sheehan	
	Mr D Brooking	(Appointed 26 August 2015)
	Miss J Crouch	(Appointed 18 August 2015)
	Miss K O'Brien	(Appointed 2 January 2015)

Secretary	HCP Social Infrastructure (UK) Limited
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Company number	05358400
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Registered office	8 White Oak Square London Road Swanley Kent BR8 7AG
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Auditors	KPMG LLP Arlington Business Park Theale Reading RG7 4SD
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TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

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TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their annual report and financial statements for the year ended 31 December 2015.

Principal activities

The Company's principal activity is an investment Company. It holds one ordinary share in Transform Schools (North Lanarkshire) Funding plc.

The Company was dormant during the current and previous year, accordingly no Key Performance Indicators have been reported.

Financial reporting, risk and internal controls

The Company has outsourced the financial reporting function to HCP Social Infrastructure (UK) Limited (HCP). Authorities remain vested in the board members of Company. The board receives regular 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 quarterly 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.

Going Concern

The Company believes that future economic benefits will cover the obligations that arose from the financing of the construction of the project for North Lanarkshire Council.

The directors have also considered the ability of North Lanarkshire Council (the Council) to continue to pay the Unitary fees, due under the Concession contract, to the Company and do not consider this to be a material risk. The Company's forecasts and projections, taking into account reasonably possible counterparty performance, show the Company expects to be able to continue to operate for the full term of the concession.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Results and dividends

The Company has not traded on its own account during the current year and has made neither profit or loss nor any other recognised gain or loss, consequently no profit and loss account has been prepared (2014: £nil).

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

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	(Retired 26 August 2015)
Mr R Sheehan	
Mr D Brooking	(Appointed 26 August 2015)
Miss J Crouch	(Appointed 18 August 2015)
Miss K O'Brien	(Appointed 2 January 2015)
Mr J Haan	(Retired 2 January 2015)
Mr S Jones	(Retired 18 August 2015)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditors

The auditors, KPMG LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditors


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 auditors are 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 auditors are aware of that information.

Registered office

The Company's Registered Office is 8 White Oak Square, Swanley, Kent, BR8 7AG.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr R Sheehan
Director
18 April 2016

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

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 Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland*.

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; 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.

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

We have audited the financial statements of Transform Schools (North Lanarkshire) Intermediate Limited for the year ended 31 December 2015 set out on pages 6 to 9. 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), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 2015 and of its result 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 matters 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.

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

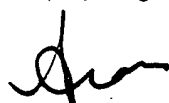
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

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 and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.



Amanda Moses

(Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

Arlington Business Park

Theale

Reading

RG7 4SD

27 Amc 2016

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Investments	4		1		1
Current assets					
Debtors	6	2		2	
Creditors: amounts falling due within one year	7	(1)		(1)	
Net current assets			1		1
Total assets less current liabilities			2		2
Capital and reserves					
Called up share capital	8		2		2

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 18 April 2016 and are signed on its behalf by:



Mr R Sheehan
Director

Company Registration No. 05358400

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Company information

Transform Schools (North Lanarkshire) Intermediate Limited is a limited company domiciled and incorporated in England and Wales. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

These financial statements for the year ended 31 December 2015 are the first financial statements of Transform Schools (North Lanarkshire) Intermediate Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The Company believes that future economic benefits will cover the obligations that arose from the financing of the construction of the project for North Lanarkshire Council.

The directors have also considered the ability of North Lanarkshire Council (the Council) to continue to pay the Unitary fees, due under the Concession contract, to the Company and do not consider this to be a material risk. The Company's forecasts and projections, taking into account reasonably possible counterparty performance, show the Company expects to be able to continue to operate for the full term of the concession.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Fixed asset investments

Investments are stated at cost less impairment. The carrying value of this investment is reviewed annually by the Directors to determine whether there has been any impairment to its value.

1.4 Profit and loss account

The Company has not traded on its own account during the current year or previous year and has made neither a profit or loss nor any other recognised gain or loss, consequently no profit and loss account has been prepared.

1.5 Cashflow statement

During both the current year and the preceding period, there were no cash transactions entered into by the Company. Consequently, no cash flow statement has been prepared.

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

2 Auditors Remuneration

	2015 £	2014 £
Fees payable to the company's auditors for the audit of the company's financial statements	1,000	1,000

The auditor's remuneration was borne by Transform Schools (North Lanarkshire) Limited.

3 Employees

There were no employees during the year (2014: none). None of the Directors received any emoluments from the Company (2014: £nil).

4 Fixed asset investments

	2015 £	2014 £
Investments	1	1

Fixed asset investment represents an equity investment in a fellow group undertaking. The investment is carried at historical cost.

Movements in fixed asset investments

	Shares £
Cost	
At 1 January 2015 & 31 December 2015	1
Carrying amount	
At 31 December 2015	1
At 31 December 2014	1

5 Subsidiaries

Details of the company's subsidiaries at 31 December 2015 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct Indirect
Transform Schools (North Lanarkshire) Funding plc	Great Britain Financing Company	Ordinary shares	0.002% -

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

6 Debtors

	2015 £	2014 £
Amounts falling due within one year:		
Amounts due from related parties	2	2
	<u>2</u>	<u>2</u>

7 Creditors: amounts falling due within one year

	2015 £	2014 £
Amounts due to group undertakings	1	1
	<u>1</u>	<u>1</u>

Amounts due from fellow group undertakings represents an amount due to Transform Schools (North Lanarkshire) Funding plc.

8 Share capital

	2015 £	2014 £
Ordinary share capital		
Issued and fully paid		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

9 Related party transactions

In 2005, the company issued two shares to its parent undertakings. No cash was received during the year for these shares, as a result a debtor for £2 exists at 31 December 2015 (2014: £2). In 2005, the Company also purchased one share for £1 in Transform Schools (North Lanarkshire) Funding plc. No cash was paid during the year for this investment, as a result a creditor for £1 exists at 31 December 2015 (2014: £1).

During the year, the Company was under the management of HCP Social Infrastructure (UK) Limited under a management services agreement. HCP is beneficially owned by Innisfree M&G PPP LP and is therefore a related party to Innisfree Limited, which is a nominee shareholder of the Transform Schools (North Lanarkshire) group.

Other than the above, no other related party transactions occurred during either the current year or preceding year.

10 Controlling party

The ultimate parent undertakings of Transform Schools (North Lanarkshire) Intermediate Ltd are Equitix Education 2 and two limited partnerships, Innisfree PFI Secondary Fund and Innisfree PFI Secondary Fund 2 LP, managed by Innisfree Limited. The Company has no ultimate controlling party.