

Company Registration No. 5358417

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2008**

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**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

The directors have pleasure in presenting their annual report together with the audited financial statements and auditors' report for the year ended 31 December 2008.

**Principal Activities and Business Review**

On 24 May 2005, the Company entered into a Private Finance Initiative (PFI) concession contract with North Lanarkshire Council to design, build, finance and provide services within twenty-four primary and secondary schools. The concession contract finishes on 31 March 2037.

No change in the Company's activities is anticipated.

**Results and Dividends**

The results for the year are set out on page 6. The profit for the year after taxation amounted to £563,000 (2007: £1,287,000 profit). The directors do not propose to pay any dividend in respect of the period ended 31 December 2008 (2007: £Nil). The directors expect the Company to continue its operations for the foreseeable future.

**Key performance indicators**

The key performance indicators during the construction and operational stage are:

- schools become available on the scheduled date; and
- the net cash-flow is in line with or better than forecast.

As at 31 December 2008, the construction programme was complete, with minor works outstanding.

As at 31 December 2008, the cumulative net cash outflow before financing was £147.3m, compared to a forecast value of £148.9m. The variance is due to a timing difference which is expected to reverse over the course of the project.

**Financial Risk Management**

The financial risks which the Company is exposed to are credit risk, interest rate risk and liquidity risk.

*Credit risk*

The Company's credit risk is primarily attributable to its trade and finance lease receivables, each of which arise from its sole client, North Lanarkshire Council. The credit and cash-flow risks are not considered significant as the client is a quasi governmental organisation.

*Interest rate risk*

The majority of the Company's borrowings comprise an index-linked secured bond and an index-linked secured loan. Repayment of these loans, and meeting operational expenditure commitments, will be made from income which is itself subject to indexation. The Company thereby mitigates any exposure to movements in the retail price index.

*Liquidity risk*

The Company's liquidity risk is principally managed through financing the group by means of long term borrowings, with an amortising profit that matches the expected availability of funds from the Company's operating activities. In addition, the Company maintains reserve bank accounts to provide short term liquidity against future debt service and other expenditure requirements.

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**  
**DIRECTORS' REPORT (Continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**Supplier payment policy**

The Company's policy is to pay suppliers thirty days from the date of receipt of the supplier's agreed invoice, unless otherwise contractually agreed, and this policy is made known to all suppliers on request. The number of suppliers' days outstanding at the end of the financial period was 4 days (2007: 1 day).

**Directors**

The following persons were directors of the Company during the year:-

M. Fernandes	(resigned 20 October 2008)
C.L. Spencer	
R.K. Sheehan	
H.M. Wills	(appointed 15 January 2008)
M.M.B. Ross	(resigned 15 January 2008)
J. Graham	(appointed 20 October 2008)

**Provision of Information to 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 audit 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.

**Auditors**

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

**Registered Office**

The Company's Registered Office is 6th Floor, 350 Euston Road, Regent's Place, London NW1 3AX.

By Order of the Board,



R.K. Sheehan  
Director

27 April 2009

## **TRANSFORM SCHOOLS (NORTH LANARKSHIRE) 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 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; and
- prepare the financial statements on a 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 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.

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED  
RESPONSIBILITY STATEMENT**

We confirm that to the best of our knowledge:

- a) the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of Transform Schools (North Lanarkshire) Limited as at 31 December 2008; and
- b) the Directors' report includes a fair review of the development and performance of the business and the financial position of Transform Schools (North Lanarkshire) Limited, together with a description of its principal risks and uncertainties.

Signed on behalf of the Board of Directors of Transform Schools (North Lanarkshire) Limited on 27 April 2009



R.K. Sheehan  
Director

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**

We have audited the financial statements of Transform Schools (North Lanarkshire) Limited for the year ended 31 December 2008, which comprise the Profit and Loss Account, the Balance Sheet and the related notes numbered 1 to 18. 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 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 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 and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we 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 and other transactions is not disclosed.

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

### Basis of audit opinion

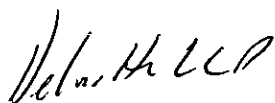
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the Company's circumstances, 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 Company's affairs as at 31 December 2008 and of its 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  
27 April 2009

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 £'000	2007 £'000
Turnover	2	30,798	58,521
Cost of sales		(29,457)	(57,563)
<b>Gross profit</b>		<u>1,341</u>	<u>958</u>
Net operating expenses		<u>(1,245)</u>	<u>(856)</u>
Operating profit	3	96	102
Finance costs (net)	4	698	1,737
<b>Profit on ordinary activities before taxation</b>		<u>794</u>	<u>1,839</u>
Tax on profit on ordinary activities	5	<u>(231)</u>	<u>(552)</u>
<b>Profit on ordinary activities after taxation for the financial year</b>	14	<u><u>563</u></u>	<u><u>1,287</u></u>

All the Company's activities were derived from continuing operations in the United Kingdom.

There were no recognised gains or losses for both the current year and the preceding year other than those stated in the profit and loss account above; consequently no statement of total recognised gains and losses is presented.

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**  
**BALANCE SHEET**  
**AT 31 DECEMBER 2008**

	Notes	2008 £'000	2007 £'000
<b>Fixed assets</b>			
Tangible assets	7	<u>13</u>	<u>15</u>
		<u>13</u>	<u>15</u>
<b>Current assets</b>			
Investments	6	13,440	2,852
Construction work in progress	8	-	11,440
Debtors - due within one year	9	3,338	3,922
Debtors - FRS 5 finance debtor due within one year	10	11,126	9,773
Cash at bank and in hand		<u>2,474</u>	<u>3,867</u>
		<u>30,378</u>	<u>31,854</u>
Debtors - FRS 5 finance debtor due after more than one year	10	165,281	142,264
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	11	(4,260)	(3,749)
Borrowings: amounts falling due within one year	12	<u>(5,134)</u>	<u>-</u>
		<u>(9,394)</u>	<u>(3,749)</u>
<b>Net current assets</b>		<u>186,265</u>	<u>170,369</u>
<b>Total assets less current liabilities</b>		<u>186,278</u>	<u>170,384</u>
<b>Creditors: amounts falling due after more than one year</b>			
Borrowings	12	<u>(183,733)</u>	<u>(168,402)</u>
		<u>(183,733)</u>	<u>(168,402)</u>
<b>Net assets</b>		<u>2,545</u>	<u>1,982</u>
<b>Capital and reserves</b>			
Called up share capital	13	10	10
Profit and loss account	14	<u>2,535</u>	<u>1,972</u>
<b>Shareholders' funds</b>	15	<u>2,545</u>	<u>1,982</u>

These financial statements were approved by the Board of Directors on 27 April 2009  
and signed on its behalf by :-

  
R.K. Sheehan  
Director



**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**1 Accounting policies**

A summary of the principal accounting policies of the company, all of which have been applied consistently throughout both the current year and preceding year, is set out below:

*a) Basis of preparation*

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards and under the historical cost convention. They include the result of the activities described in the directors' report, all of which are continuing.

The current economic conditions create some general uncertainty. The directors have reviewed the Group's supply chain and do not believe that any specific risk has been identified. The Directors have also considered the ability of the council to continue to pay unitary fees due under the concession contract to the Group and do not consider this to be a material risk. The Group's forecasts and projections, taking account of reasonably possible counterparty performance, show the Group 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 annual report and accounts.

*FRS 25 Financial Instruments: Presentation and FRS 26 Financial Instruments: Recognition and Measurement*

FRS 25 and FRS 26 are required to be adopted by listed companies. Transform Schools (North Lanarkshire) Funding plc (a Group company), holds listed debt and has therefore prepared its accounts in accordance with FRS 25 and FRS 26. The Company, its Parent and all Subsidiaries of Transform Schools (North Lanarkshire) Holdings Limited adopted FRS 25 and FRS 26 to ensure that consistent accounting policies are applied within the Group.

FRS 26 provides the requirements for the measurement, recognition and derecognition of financial instruments. Adoption of the standard results in the measurement of the Company's financial liabilities at amortised cost using the effective interest rate method.

FRS 29, which requires certain disclosures in respect of financial instruments, is applicable for periods beginning on or after 1 January 2007 and is required for entities applying FRS 26. The Company has elected to take the exemptions permitted in FRS 29 as the results are included in the publicly available consolidated financial statements of Transform Schools (North Lanarkshire) Holdings Limited, which include disclosures that comply with FRS 29.

*b) Cash flow statement*

The Company is exempt from the requirement of Financial Reporting Standard No.1 (Revised) 1996 to prepare a cash flow statement as it is a wholly-owned subsidiary of Transform Schools (North Lanarkshire) Holdings Limited, which prepares consolidated financial statements that include a cash flow statement and are publicly available.

*c) Turnover*

Turnover, which is stated net of value added tax, represents amounts invoiced for services provided in the year. It has been determined in accordance with FRS 5 Application Note F "Private Finance Initiative and Similar Contracts" that the balance of risks and rewards derived from the underlying asset is not borne by the company and accordingly the asset created under the contract has been accounted for as a FRS 5 finance debtor.

*d) Taxation*

Current 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 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.

*e) Construction Work In Progress*

All construction costs including the capitalised interest on finance up to the date of commission and incidental costs are recorded as construction work in progress.

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**1 Accounting policies (Continued)**

*f) Tangible Fixed Assets*

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment. Cost represents original purchase cost. Depreciation is provided at rates calculated to write off the cost less any residual value of these assets on a straight-line basis (IT equipment 33% per annum; plant and equipment 10% per annum) over their estimated useful lives commencing when the assets are brought into use.

*f) Financial liabilities and equity*

Financial liabilities and equity are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if they are not included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of capital instruments other than equity shares is allocated over the term of the instrument.

*g) Finance costs*

Finance costs in relation to the senior secured bonds are recognised at a constant rate in accordance with the carrying value of these bonds.

*h) Senior secured bonds and loans*

Senior secured bonds and term loans are initially stated at the amount of the net proceeds after deduction of related issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in that period. The index-linked secured bonds and index-linked secured term loan are each valued at amortised cost, using the effective interest rate method, taking account of projected indexation across the term of the liability.

*i) FRS 5 finance debtor*

The FRS 5 finance debtor recorded is equal to the amounts due for the fair value of the property. The FRS 5 finance debtor is reduced in subsequent years as payments are received. Revenues received from North Lanarkshire Council are apportioned between capital repayments and operating revenue. The "finance income" element of the capital repayment is recorded using a property-specific rate and is shown within interest receivable. The remaining payments, being the full amounts received less the capital repayment and the imputed finance charge, are recorded within operating profit.

**2 Turnover**

	2008 £'000	2007 £'000
Turnover by origin and destination:		
United Kingdom	<u>30,798</u>	<u>58,521</u>

**3 Operating profit**

	2008 £'000	2007 £'000
Operating profit is stated after charging:		
Depreciation of equipment	2	4
Auditors' remuneration for the audit of company's annual accounts	<u>17</u>	<u>21</u>

The directors received no salary, fees or other benefits from the Company in the performance of their duties in either the current year or preceding year. The Company has no employees in the current year or preceding year. All costs of the directors and other staff are borne by the shareholders of the ultimate parent companies, who second their employees to the Company.

**4 Finance costs (net)**

	2008 £'000	2007 £'000
Bank interest receivable	449	1,031
Interest receivable on FRS 5 finance debtor	<u>10,319</u>	<u>7,073</u>
Interest receivable and similar income	<u>10,768</u>	<u>8,104</u>
Interest and fees payable on secured senior loan	(10,118)	(9,290)
Interest payable on secured subordinated loan stock	<u>(1,202)</u>	<u>(107)</u>
Interest payable and similar charges	<u>(11,320)</u>	<u>(9,397)</u>
Less: amounts capitalised	1,250	3,030
Finance costs (net)	<u>698</u>	<u>1,737</u>

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

<b>5 Taxation</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Current tax	(231)	(552)
Deferred tax	-	-
	<u>(231)</u>	<u>(552)</u>
 Tax reconciliation:		
Profit on ordinary activities before taxation	<u>794</u>	<u>1,839</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2007: 30%):	(223)	(552)
Effects of:		
Corporation tax rate at 30%	(4)	-
Corporation tax paid for year ended 31 December 2006	(4)	-
Current tax charge for the year	<u>(231)</u>	<u>(552)</u>
 <b>6 Investments</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Treasury Deposits	<u>13,440</u>	<u>2,852</u>
<u>Shown as:</u>		
Current assets	<u>13,440</u>	<u>2,852</u>
	<u>13,440</u>	<u>2,852</u>
 <b>7 Tangible Fixed Assets</b>	<b>Plant &amp; Equipment</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
<u>Cost</u>		
At 1 January 2008	23	23
Additions	-	-
At 31 December 2008	<u>23</u>	<u>23</u>
<u>Depreciation</u>		
At 1 January 2008	8	8
Charge for the year	2	2
At 31 December 2008	<u>10</u>	<u>10</u>
<u>Net Book Value</u>		
At 1 January 2008	13	15
At 31 December 2008	<u>13</u>	<u>13</u>

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

<b>8 Construction work in progress</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
At 1 January	11,440	21,564
Interest payable and other financing costs	1,250	3,157
Construction and related costs	11,255	40,630
Transferred to FRS 5 finance debtor	(23,945)	(53,911)
At 31 December	<u>-</u>	<u>11,440</u>

<b>9 Debtors - due within one year</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	2,900	2,787
VAT debtor	-	427
Prepayments	331	690
Accrued income	107	18
	<u>3,338</u>	<u>3,922</u>

<b>10 Debtors - FRS 5 finance debtor</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
At 1 January	152,037	97,483
Transferred from construction work in progress	23,945	53,911
Less: council income received in the year	(9,894)	(6,430)
Add: interest income accruing	10,319	7,073
At 31 December	<u>176,407</u>	<u>152,037</u>

Included in the FRS 5 finance debtor is an amount of £165,281,000 (2007: £142,264,000) due after more than

<b>11 Creditors - due within one year</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Accruals and deferred income	2,290	935
Trade creditors	690	359
Accruals	748	1,903
VAT creditor	305	-
Corporation tax payable	227	552
	<u>4,260</u>	<u>3,749</u>

<b>12 Borrowings</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Borrowings:		
Amounts owing to Transform Schools (North Lanarkshire) Funding plc	188,867	168,402
	<u>188,867</u>	<u>168,402</u>

<b>Borrowings are repayable in the following periods:</b>	<b>£'000</b>	<b>£'000</b>
Within one year	5,134	-
Between one and two years	6,072	5,509
Between two and five years	16,000	11,850
After five years	161,661	151,043
	<u>188,867</u>	<u>168,402</u>

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**12 Borrowings (continued)**

The bonds and EIB loan are secured by a fixed and floating charge over the whole of the Company's undertaking and assets. The bond and loan contract contain covenants regarding, inter alia, performance by the Company of financial and non-financial obligations under the PFI contract. In circumstances of non-compliance, lenders' rights include direction of the Company's business, requirements for immediate repayment, and enforcement of security.

The secured subordinated loan stock has been subscribed by the parent company, Transform Schools (North Lanarkshire) Holdings Limited. The loan stock bears interest at a rate of 7.55% above the 6-month LIBOR, and is repayable in instalments between 2009 and 2033. It is secured by second fixed and floating charges over the undertaking, property, assets and rights of the Company.

<b>13 Called up share capital</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
<i>Allotted, issued and fully paid share capital</i>		
10,000 Ordinary Shares of £1 each	<u>10</u>	<u>10</u>
	<u>10</u>	<u>10</u>
<b>14 Profit and loss account</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
At 1 January	1,972	685
Profit for the year	<u>563</u>	<u>1,287</u>
At 31 December	<u>2,535</u>	<u>1,972</u>
<b>15 Reconciliation of movements in shareholders' funds</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Opening shareholders' funds	1,982	695
Profit for the year	<u>563</u>	<u>1,287</u>
Closing shareholders' funds	<u>2,545</u>	<u>1,982</u>
<b>16 Capital commitments</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Contracted but not provided for	<u>728</u>	<u>17,647</u>

**17 Ultimate parent undertaking and controlling parties**

The Company is a wholly-owned subsidiary of Transform Schools (North Lanarkshire) Holdings Limited, which is incorporated in Great Britain and registered in England and Wales. The Directors consider the ultimate controlling parties to be Balfour Beatty Plc and Innisfree Limited acting as manager for Innisfree PFI Fund III LP, in equal shares.

The only company in which the result of Transform Schools (North Lanarkshire) Limited are consolidated is Transform Schools (North Lanarkshire) Holdings Limited. Copies of the financial statements are available from the registered office at 6th Floor, 350 Euston Road, Regent's Place, London NW1 3AX.

**18 Related party transactions**

As a wholly-owned subsidiary of Transform Schools (North Lanarkshire) Holdings Limited, the company has taken advantage of the exemption in FRS 8 'Related party disclosures' from disclosing related party transactions with other group companies within these financial statements.