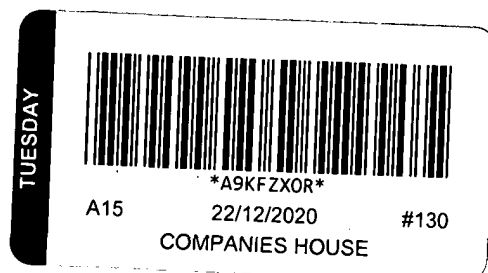


**INSPIREDSPACES STAG (PSP1) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**



---

**INSPIREDSPACES STAG (PSP1) LIMITED**

---

**COMPANY INFORMATION**

---

|                            |   |
|----------------------------|---|
| <b>Directors</b>           | KL Flaherty (resigned 20 November 2020)<br>K Savjani (appointed 20 November 2020) |
| <b>Registered number</b>   | 06436121  |
| <b>Registered office</b>   | 3 More London Riverside<br>London<br>England<br>SE1 2AQ                           |
| <b>Independent auditor</b> | KPMG LLP<br>One Snowhill<br>Snow Hill Queensway<br>Birmingham<br>B4 6GH           |

---

**INSPIREDSPACES STAG (PSP1) LIMITED**

---

**CONTENTS**

---

|  | Page          |
|--|---------------|
| <b>Directors' report</b>                     | <b>1 - 2</b>  |
| <b>Directors' responsibilities statement</b> | <b>3</b>      |
| <b>Independent auditor's report</b>          | <b>4 - 6</b>  |
| <b>Statement of comprehensive income</b>     | <b>7</b>      |
| <b>Balance sheet</b>                         | <b>8</b>      |
| <b>Notes to the financial statements</b>     | <b>9 - 13</b> |

---

## INSPIREDSAPCES STAG (PSP1) LIMITED

---

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

---

The directors present their report and the financial statements for the year ended 31 December 2019.

#### Director

The director who served during the year was:

KL Flaherty (resigned 20 November 2020)

#### Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### Going concern

As set out in note 2.2, the financial statements have been prepared on a going concern basis.

The Company's ability to meet its debts as they fall due is principally dependent on the performance of its interests in the underlying Projects. In reaching this conclusion, the Directors have reviewed the cash flow forecasts of the Projects covering a period of at least 12 months from the date of approval of these financial statements.

In making their assessment the Directors have also considered the potential impact of the emergence and spread of COVID-19;

The Company and the Projects continue to provide the services in accordance with the contract. The operating cash inflows are largely dependent on amounts receivable from the local authority and the Directors expect these amounts to be received even in a downside scenario.

The Directors have also assessed and satisfied themselves the viability of main sub-contractors and have reviewed their contingency plans. In the unlikely event of a subcontractor failure, the Company has its own business continuity plans to ensure that service provision will continue.

In summary, the Directors believe that the Company has sufficient funding in place and expect the project to be in compliance with its debt covenants even in downside scenarios.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Given the above, at the time of approving the financial statements, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements of the Company.

#### Auditor

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 487 of the Companies Act 2006.

---

**INSPIREDSPACES STAG (PSP1) LIMITED**

---

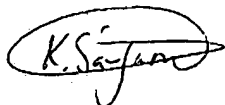
**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**K Savjani**  
Director

Date: 16 December 2020

---

## **INSPIREDSPACES STAG (PSP1) LIMITED**

---

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019**

---

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 '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 judgments and estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

---

## INSPIREDSAPCES STAG (PSP1) LIMITED

---

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSPIREDSAPCES STAG (PSP1) LIMITED

---

#### Opinion

We have audited the financial statements of Inspiredspaces STaG (PSP1) Limited (the "company") for the year ended 31 December 2019, which comprise the Income Statement, Balance Sheet and related notes, including the accounting policies in note 2.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

---

## INSPIREDSAPES STAG (PSP1) LIMITED

---

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSPIREDSAPES STAG (PSP1) LIMITED

---

#### Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

#### Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 from the requirement to prepare a strategic report.

We have nothing to report in these respects.

#### Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).



---

**INSPIREDSACES STAG (PSP1) LIMITED**

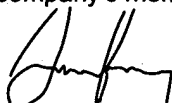
---

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSPIREDSACES STAG (PSP1) LIMITED**

---

**The purpose of our audit work and to whom we owe our responsibilities**

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.



**James Tracey (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

16 December 2020

---

INSPIREDSPACES STAG (PSP1) LIMITED

---

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019

---

|  | Note | 2019<br>£    | 2018<br>£     |
|--|------|--------------|---------------|
| Income from participating interests    |      | 5,054        | 55,372        |
| Interest receivable and similar income |      | 39,872       | 42,780        |
| Interest payable and expenses          |      | (39,872)     | (42,780)      |
| <b>Profit before tax</b>               |      | <b>5,054</b> | <b>55,372</b> |
| <b>Profit for the financial year</b>   |      | <b>5,054</b> | <b>55,372</b> |

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 9 to 13 form part of these financial statements.

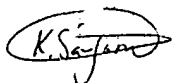
**INSPIREDSAPES STAG (PSP1) LIMITED**  
**REGISTERED NUMBER: 06436121**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

|   | Note | 2019<br>£           | 2018<br>£           |
|---|------|---------------------|---------------------|
| <b>Fixed assets</b>                                     |      |                     |                     |
| Investments   | 5    | 8,800               | 8,800               |
| <b>Current assets</b>                                   |      |                     |                     |
| Debtors: amounts falling due after more than one year   | 6    | 328,889             | 343,945             |
| Debtors: amounts falling due within one year            | 6    | 18,170              | 67,095              |
|   |      | <u>347,059</u>      | <u>411,040</u>      |
| Creditors: amounts falling due within one year          | 7    | (18,170)            | (67,095)            |
| <b>Net current assets</b>                               |      | <u>328,889</u>      | <u>343,945</u>      |
| <b>Total assets less current liabilities</b>            |      | <u>337,689</u>      | <u>352,745</u>      |
| Creditors: amounts falling due after more than one year | 8    | (328,889)           | (343,945)           |
|   |      | <u>8,800</u>        | <u>8,800</u>        |
| <b>Net assets</b>                                       |      | <u><u>8,800</u></u> | <u><u>8,800</u></u> |
| <b>Capital and reserves</b>                             |      |                     |                     |
| Called up share capital                                 |      | 8,800               | 8,800               |
|   |      | <u><u>8,800</u></u> | <u><u>8,800</u></u> |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**K Savjani**  
Director

Date: 16 December 2020

The notes on pages 9 to 13 form part of these financial statements.

---

## INSPIREDSPACES STAG (PSP1) LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

---

#### 1. General information

Inspiredspaces STAG (PSP1) Limited (the 'Company') is a company limited by shares and incorporated and domiciled in the UK. The registered address is 3 More London Riverside, London, SE1 2AQ.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### 2.2 Going concern

As explained in note 2.2, the financial statements have been prepared on a going concern basis. The company has historically existed to deliver the various services that are the subject of the Strategic Partnering Agreement, which includes the delivery of education infrastructure, ICT services and facilities management services to South Tyneside Council.

The Company's ability to meet its debts as they fall due is dependent on the Company's existing assets. The Directors have reviewed the cash flow forecasts of the Company and its expected obligations covering a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

In making this assessment the Directors have considered the potential impact of the emergence and spread of COVID-19. Given the limited activities currently being undertaken by the Company, which principally relate to the management of defect claims arising in relation to historically delivered D&B schemes, the Directors believe the COVID-19 is expected to have little or no impact upon its operations.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Given the above, at the time of approving the financial statements, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements of the Company.

##### 2.3 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

---

**INSPIREDSPACES STAG (PSP1) LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)**

**2.4 Finance costs**

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.5 Associates and joint ventures**

Associates and Joint Ventures are held at cost less impairment.

**2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.7 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

---

## INSPIREDSPACES STAG (PSP1) LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

---

#### 2. Accounting policies (continued)

##### 2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

##### 2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### 3. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £232 (2018 - £227).

The audit fee is borne by the parent company, Amber LEP Investments Limited.

#### 4. Employees

The Company has no employees (2018 - NIL).

The directors have no contract of service with the Company (2018 - No contract of service), and receive no remuneration for the services performed for the Company (2018 - none).

#### 5. Fixed asset investments

|                          | Investments<br>in<br>participating<br>interests<br>£ |
|--------------------------|--|
| <b>Cost or valuation</b> |  |
| At 1 January 2019        | 8,800  |
| At 31 December 2019      | <u>8,800</u>   |

---

**INSPIREDSPACES STAG (PSP1) LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**6. Debtors**

|   | 2019<br>£      | 2018<br>£      |
|---|----------------|----------------|
| <b>Due after more than one year</b>     |                |                |
| Amounts owed by participating interests | <b>328,889</b> | <b>343,945</b> |

As explained in Note 8, this unsecured loan bears interest at 12% and 11.23% and is repayable in installments on or before 28 February 2037.

|   | 2019<br>£     | 2018<br>£     |
|---|---------------|---------------|
| <b>Due within one year</b>              |               |               |
| Amounts owed by participating interests | <b>18,170</b> | <b>67,095</b> |

**7. Creditors: Amounts falling due within one year**

|                                    | 2019<br>£     | 2018<br>£     |
|------------------------------------|---------------|---------------|
| Amounts owed to group undertakings | <b>8,087</b>  | <b>19,403</b> |
| Accruals and deferred income       | <b>10,083</b> | <b>47,692</b> |
|                                    | <b>18,170</b> | <b>67,095</b> |

---

**INSPIREDSPACES STAG (PSP1) LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**8. Creditors: Amounts falling due after more than one year**

|                                    | <b>2019</b>    | <b>2018</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>£</b>       | <b>£</b>       |
| Amounts owed to group undertakings | <b>328,889</b> | <b>343,945</b> |

The shareholder subscribed for £171,360 of loan notes in the Company on 20 October 2010. The Company in turn subscribed for unsecured loan notes totaling: £171,360 in Inspiredspaces STAG Limited, the company in which it has a participating interest. The loan is due for repayments in unequal six monthly installments before 30th September 2034 and carries interest at a rate of 12%.

The shareholder subscribed for a further £266,600 of loan notes in the Company on 28 February 2012. The Company in turn subscribed for unsecured loan notes totaling £266,600 in Inspiredspaces STAG Limited. The loan is due for repayment in unequal six monthly installments before 28 February 2037 and carries interest at a rate of 11.23%.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

|                           | <b>2019</b>    | <b>2018</b>    |
|---------------------------|----------------|----------------|
|                           | <b>£</b>       | <b>£</b>       |
| Repayable by installments | <b>253,359</b> | <b>274,194</b> |

**9. Controlling party**

The immediate parent undertaking is Amber Investment Holdings Limited.

The largest group in which the results of the Company are consolidated as at the balance sheet date is that headed by Amber Infrastructure Group Holdings Limited. The consolidated financial statements of the group are available to the public and may be obtained from 3 More London Riverside, London SE1 2AQ.

The directors consider that Hunt Companies Inc. is the ultimate controlling party.