

Registered number: 06569789

INSPIREDSPACES TAMESIDE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



INSPIREDSPACES TAMESIDE LIMITED

COMPANY INFORMATION

Directors	KL Flaherty (appointed 3 September 2018) SC Pleasant DC Ward TP Wilkinson (appointed 6 February 2018) GJ Devine (resigned 30 June 2018) AV Mole (resigned 25 April 2018) RJ Monk (resigned 5 February 2018)
Registered number	06569789 (England & Wales)
Registered office	3 More London Riverside London SE1 2AQ
Independent auditors	KPMG LLP Chartered Accountants & Statutory Auditor One Snowhill Snow Hill Queensway Birmingham B4 6GH

INSPIREDSPACES TAMESIDE LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4 - 6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11 - 18

INSPIREDSPACES TAMESIDE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their Strategic Report for the Company for the year ended 31 December 2018.

Principal activities

The Company's principal activities are the provision of construction, information, communication and technology (ICT), project development and partnering services within the education sector in accordance with the terms of an agreement with Tameside Metropolitan Borough Council. The contracts associated with the agreement were entered into on 4 February 2009.

Business review

The directors consider the performance of the Company during the year, the financial position at the year end and its prospects for the future to be satisfactory.

Principal risks and uncertainties

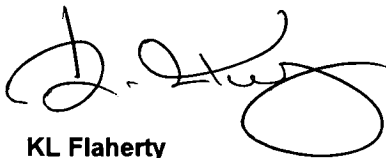
The majority of the Company's commercial risks are mitigated through sub-contractors to our key delivery partners in construction and ICT.

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key risks affecting the Company are considered to relate to credit risk, liquidity risk and contractual relationships. The Company is exposed to inflation risk as some of its operational costs are RPI linked.

Financial key performance indicators

The sole KPI used by the directors to assess the performance of the Company is Profit before tax. In the current year the loss before tax was £82,000 (2017 - profit of £52,000). The reason for the reduction in profitability this year is due to added costs resulting from the collapse of Carillion plc. This is considered to be a one-off event.

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



KL Flaherty
Director

Date: 27 SEPTEMBER 2019

INSPIREDSAPCES TAMESIDE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 judgments and accounting 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.

Results and dividends

The loss for the year, after taxation, amounted to £78,000 (2017 - profit £43,000). No dividends were payable during the year (2017 - £8,000).

Directors

The directors who served during the year were:

KL Flaherty (appointed 3 September 2018)
SC Pleasant
DC Ward
TP Wilkinson (appointed 6 February 2018)
GJ Devine (resigned 30 June 2018)
AV Mole (resigned 25 April 2018)
RJ Monk (resigned 5 February 2018)

Future developments

The Company has a pipeline of potential projects it is considering and continues to deliver the service contracts it has in place.

INSPIREDSPACES TAMESIDE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

Qualifying third party indemnity provisions

The Company has made qualifying third-party indemnity provisions for the benefit of its directors, which were made during the year and remain in force at the date of this report.

Matters covered in the strategic report

Details of principal risks and uncertainties are disclosed in the Strategic Report.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.


Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

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.

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



KL Flaherty
Director

Date: 27/09/14

INSPIREDSAPES TAMESIDE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIREDSAPES TAMESIDE LIMITED

Opinion

We have audited the financial statements of Inspiredspaces Tameside Limited (the "company") for the year ended 31 December 2018, which comprise the Income Statement, Balance Sheet, Statement of Cashflows 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 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including 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, including the impact of Brexit, 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 TAMESIDE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIREDSAPES TAMESIDE 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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; 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.

INSPIREDSAPES TAMESIDE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INSPIREDSAPES TAMESIDE 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

Date: **30 September 2019**

INSPIREDSPACES TAMESIDE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
Turnover	4	28,964	38,536
Cost of sales		(28,912)	(38,264)
Gross profit		<u>52</u>	<u>272</u>
Administrative expenses		(135)	(234)
Operating (loss)/profit		<u>(83)</u>	<u>38</u>
Income from fixed assets investments		-	8
Interest receivable and similar income	8	131	134
Interest payable and similar expenses	9	(130)	(130)
(Loss)/profit before tax		<u>(82)</u>	<u>50</u>
Tax on (loss)/profit	10	4	(7)
(Loss)/profit for the financial year		<u><u>(78)</u></u>	<u><u>43</u></u>

There was no other comprehensive income for 2018 (2017: £NIL).

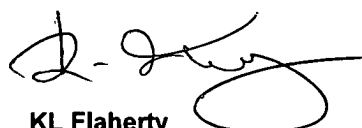
The notes on pages 11 to 18 form part of these financial statements.

INSPIREDSAPCES TAMESIDE LIMITED
REGISTERED NUMBER: 06569789

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £000	2017 £000
Fixed assets			
Investments	11	2	2
		<u>2</u>	<u>2</u>
Current assets			
Debtors: amounts falling due after more than one year	12	1,125	1,125
Debtors: amounts falling due within one year	12	13,205	9,809
Cash at bank and in hand		476	140
		<u>14,806</u>	<u>11,074</u>
Creditors: amounts falling due within one year	13	(13,523)	(9,713)
Net current assets		<u>1,283</u>	<u>1,361</u>
Total assets less current liabilities		<u>1,285</u>	<u>1,363</u>
Creditors: amounts falling due after more than one year	14	(1,125)	(1,125)
Net assets		<u><u>160</u></u>	<u><u>238</u></u>
Capital and reserves			
Called up share capital	15	3	3
Profit and loss account		157	235
		<u><u>160</u></u>	<u><u>238</u></u>

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


KL Flaherty
 Director

Date: 27/09/19

The notes on pages 11 to 18 form part of these financial statements.

INSPIREDSPACES TAMESIDE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2017	3	200	203
Comprehensive income for the year			
Profit for the year	-	43	43
Total comprehensive income for the year	-	43	43
Dividends: Equity capital	-	(8)	(8)
Total transactions with owners	-	(8)	(8)
At 1 January 2018	3	235	238
Comprehensive income for the year			
Loss for the year	-	(78)	(78)
Total comprehensive income for the year	-	(78)	(78)
At 31 December 2018	3	157	160

The notes on pages 11 to 18 form part of these financial statements.

INSPIREDSPACES TAMESIDE LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 £000	2017 £000
Cash flows from operating activities		
(Loss)/profit for the financial year	(78)	43
Adjustments for:		
Interest paid	130	130
Interest received	(131)	(134)
Taxation charge	(4)	7
Increase in debtors	(4,013)	(1,908)
Increase in creditors	4,431	1,875
Dividend income	-	(8)
Net cash generated from operating activities	335	5
Cash flows from investing activities		
Interest received	131	129
Dividends received	-	8
Net cash from investing activities	131	137
Cash flows from financing activities		
Dividends paid	-	(8)
Interest paid	(130)	(128)
Net cash used in financing activities	(130)	(136)
Net increase in cash and cash equivalents	336	6
Cash and cash equivalents at beginning of year	140	134
Cash and cash equivalents at the end of year	476	140
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	476	140
	476	140

The notes on pages 11 to 18 form part of these financial statements.

INSPIREDSPACES TAMESIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

inspiredspaces Tameside Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK. The registered number is 06569789 and the registered address is 3 More London Riverside, London, SE1 2AQ.

All amounts in the financial statements have been rounded to the nearest £1,000 unless stated otherwise.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis which assumes the Company will continue in operational existence for the foreseeable future.

The directors have reviewed the Company's cash flow forecasts and profit projections. The forecasts demonstrate that the Company expects to meet its liabilities as they fall due for the foreseeable future. The directors therefore believe it is appropriate for the financial statements to be prepared on a going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

INSPIREDSPACES TAMESIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Interest income

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

2.5 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.

2.6 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.7 Valuation of investments

Investments in participating interests are measured at cost less accumulated impairment.

2.8 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.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.10 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 TAMESIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.11 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 non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 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. Judgments in applying accounting policies and key sources of estimation uncertainty

There are no significant accounting estimates or judgements required in the preparation of these financial statements.

4. Turnover

The whole of the turnover is attributable to the one business activity of the Company.

All turnover arose within the United Kingdom.

5. Auditors' remuneration

	2018 £000	2017 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	13	9

INSPIREDSPACES TAMESIDE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Employees

There were no employees during the year (2017 - Nil).

The directors have no contract of service with the Company. Amounts paid to third parties in respect of directors' services were £Nil (2017 - £Nil).

7. Income from investments

	2018 £000	2017 £000
Dividends received from unlisted investments	-	8
	<u>-</u>	<u>8</u>
	<u>-</u>	<u>8</u>

8. Interest receivable

	2018 £000	2017 £000
Amounts receivable from participating interest	131	134
	<u>131</u>	<u>134</u>
	<u>131</u>	<u>134</u>

9. Interest payable and similar expenses

	2018 £000	2017 £000
Amounts due to shareholders	130	130
	<u>130</u>	<u>130</u>
	<u>130</u>	<u>130</u>

INSPIREDSPACES TAMESIDE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Taxation

	2018 £000	2017 £000
Corporation tax		
Current tax on losses for the year	(16)	7
Adjustments in respect of previous periods	12	-
Total current tax	<u>(4)</u>	<u>7</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £000	2017 £000
(Loss)/profit on ordinary activities before tax	<u>(82)</u>	<u>50</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	(16)	9
Effects of:		
Adjustments to tax charge in respect of prior periods	12	-
Non-taxable income	-	(2)
Total tax charge for the year	<u>(4)</u>	<u>7</u>

Factors that may affect future tax charges

A reduction in the UK corporation tax rate to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

There are no deferred tax assets or liabilities.

INSPIREDSPACES TAMESIDE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. Fixed asset investments

	Investments in participating interests £000
Cost or valuation	
At 1 January 2018	2
At 31 December 2018	<u>2</u>

Participating interests

Shares in participating interests represent a holding of 10% of the ordinary share capital of inspiredspaces Tameside (Projectco 1) Limited and a holding of 10% of the ordinary share capital of inspiredspaces Tameside (Projectco 2) Limited registered at 3 More London Riverside, London, SE1 2AQ. Both companies are incorporated in England and Wales. Their activities are the design, build and operation of schools in the Tameside area.

12. Debtors

	2018 £000	2017 £000
Due after more than one year		
Due from participating interests	1,125	1,125
	<u>1,125</u>	<u>1,125</u>
Due within one year		
Trade debtors	7,373	5,825
Due from participating interests	163	34
Other debtors	29	286
Prepayments and accrued income	5,640	3,664
	<u>13,205</u>	<u>9,809</u>

INSPIREDSPACES TAMESIDE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. Creditors: Amounts falling due within one year

	2018	2017
	£000	£000
Trade creditors	7,619	5,271
Amounts owed to shareholders	3,624	33
Corporation tax	51	54
Accruals and deferred income	2,229	4,355
	<u>13,523</u>	<u>9,713</u>

14. Creditors: Amounts falling due after more than one year

	2018	2017
	£000	£000
Amounts owed to shareholders	1,125	1,125
	<u>1,125</u>	<u>1,125</u>

One of the unsecured loans from shareholders (in proportion to their shareholdings) carries interest at 11.75% from 27 September 2011 and falls due for payment in six monthly intervals. The first repayment fell due on 31 March 2012 with the final repayment falling due on 30 September 2036.

The other unsecured loan from shareholders (in proportion to their shareholding) carries interest at 11.75% from 27 March 2012 and falls due for payment in six monthly intervals. The first repayment fell due 30 September 2012 with the final repayment falling due on 31 March 2037.

15. Share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
300 (2017 - 300) A Ordinary shares of £1.00 each	300	300
300 (2017 - 300) B Ordinary shares of £1.00 each	300	300
2,400 (2017 - 2,400) C Ordinary shares of £1.00 each	2,400	2,400
	<u>3,000</u>	<u>3,000</u>

The Ordinary shares rank pari passu in all respects.

INSPIREDSAPCES TAMESIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

16. Related party transactions

During the year, administrative, construction, financial and technical services amounting to £10,195,995 (2017 - £33,221,530) were provided to the Company by companies in the Carillion Plc Group, a related party by virtue of its former interest in the Company. As at 31 December 2018, £7,755,298 (2017 - £5,127,239) was owed to parties relating to Carillion Plc subsidiaries, in relation to the services described above.

During the year, the Company received a total of £6,065 (2017 - £261,133) in respect of technical services, provided to companies in the Carillion Plc group, a related party by virtue of its former interest in the company. As at 31 December 2018, £152,143 (2017 - £146,079) was owed by parties related to Carillion Plc subsidiaries in relation to the service described above.

During the year the Company received a total of £23,959,406 (2017 - £35,892,153) in respect of construction and ICT services, provided to Tameside Metropolitan Borough Council, a related party by virtue of its interest in the Company. As at 31 December 2018, £7,172,073 (2017 - £5,279,646) was owed by Tameside Metropolitan Borough Council, in relation to the services described above.

During the year the Company was charged interest totalling £10,049 (2017 - £nil) from Tameside Metropolitan Borough Council, a related party by virtue of its interest in the Company. As at 31 December 2018, £12,121 (2017 - £nil) was owed to Tameside Metropolitan Borough Council, in relation to the services described above.

During the year the Company was charged interest totalling £605,817 (2017 - £nil) from Building Schools for the Future Investments LLP ('BSF'). As at 31 December 2018 £54,754 (2017 - £nil) was owed to BSF, in relation to the services described above.

During the year, the Company was charged interest totalling £77,509 (2017 - £nil) from Amber LEP Investments Limited. As at 31 December 2018 £104,171 (2017 - £nil) was owed to Amber LEP Investments, in relation to the services described above.

17. Controlling party

As at 31 December 2018, 80% of the share capital of the Company was held by inspiredspaces Tameside (PSP1) Limited, 10% by Tameside Metropolitan Borough Council and 10% by Building Schools for the Future Investments LLP. Under the terms of a shareholders' agreement, no individual shareholder is able to control or exert significant influence over the Company and therefore, in the directors' opinion, there is no ultimate party.