

Registered number: 06730238

**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

J G Du Plessis  
D J Harding  
D C Ward  
P A Would

**COMPANY SECRETARY**

E M Clarke

**REGISTERED NUMBER**

06730238

**REGISTERED OFFICE**

3rd Floor  
Suite 6c Sevendale House  
5-7 Dale Street  
Manchester  
England  
M1 1JA

**INDEPENDENT AUDITORS**

Ryecroft Glenton  
Chartered Accountants and Statutory Auditors  
32 Portland Terrace  
Newcastle upon Tyne  
NE2 1QP

**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

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**EQUITIX EDUCATION (DERBYSHIRE) 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.

**Principal Activity**

The principal activity of the Company is to deliver secondary school facilities under the Building Schools for the Future development programme in the Derbyshire area under contract with Derbyshire County Council.

**Business Review**

The Company built and now maintains two secondary schools in Springwell and Bolsover in Derbyshire; and is responsible for doing so until October 2035. The Company is managing maintenance risk by sub-contracting to MITIE plc.

The Company manages liquidity through a senior debt facility with Aviva Public Private Finance Limited; this loan has a fixed interest coupon. The details of this loan are shown in note 13.

**Results and Dividends**

The profit for the year, after taxation, amounted to £1,636,539 (2018 - £1,086,662).

The company made a dividend payment in the year of £Nil (2018 - £Nil).

**Directors**

The directors who served during the year were:

J G Du Plessis  
D J Harding  
D C Ward  
P A Would

**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

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

**Going concern**

As highlighted in note 13 to the financial statements, the Company meets its day to day working capital requirements principally through a senior debt facility which is in place until 2035, with interest payments fixed for the term of the loan.

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance show that the Company should be able to operate within the level of its current facilities.

The directors are also mindful of the potential impacts of Covid-19 and Brexit, and feel that, because of the tight controls over financing and the fixed agreements in place, the company will continue to operate as expected.

The directors also consider the biggest risk to going concern is the potential impacts of Brexit and Covid-19 on the FM contractor's position. The credit and performance risk of the FM contract supplier is monitored on a regular basis to ensure that the services are delivered on a continuing timely basis to the appropriate standard.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they adopt the going concern basis in preparing the annual report and accounts.

**Future Developments**

The Directors of the Company are not aware of any circumstances by which the principal activity of the company would alter or cease.

**Qualifying Third Party Indemnity Provisions**

The Directors have qualifying third party indemnity provisions put in place through other companies of which they are also directors.

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

**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.

**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

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

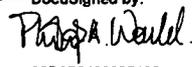
**Auditors**

The auditors, Ryecroft Glenton were appointed in the year, and, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**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.

DocuSigned by:  
  
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P A Would  
Director

Date: 29 June 2020

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**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

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

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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). 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

**Opinion**

We have audited the financial statements of Equitix Education (Derbyshire) Limited (the 'Company') for the year ended 31 December 2019, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EQUITIX EDUCATION (DERBYSHIRE) LIMITED (CONTINUED)**

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on Other Matters Prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by Exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

**Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EQUITIX EDUCATION (DERBYSHIRE)  
LIMITED (CONTINUED)**

**Auditors' Responsibilities for the Audit of the Financial Statements**

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 an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

This report is made solely to the Company's members 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 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 for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

  
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Grahame Maughan (Senior statutory auditor)

for and on behalf of  
**Ryecroft Glenton, Statutory Auditors**

32 Portland Terrace  
Newcastle upon Tyne  
NE2 1QP

29 June 2020

<b>EQUITIX EDUCATION (DERBYSHIRE) LIMITED</b>
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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	Note	2019 £	2018 £
Turnover	3	1,989,410	1,998,857
Cost of sales		(1,563,614)	(1,667,544)
<b>Gross profit</b>		<b>425,796</b>	<b>331,313</b>
Administrative expenses		(160,000)	(132,588)
<b>Operating profit</b>		<b>265,796</b>	<b>198,725</b>
Interest receivable and similar income	6	2,929,182	2,991,809
Interest payable and expenses	7	(1,771,888)	(1,836,945)
<b>Profit before tax</b>		<b>1,423,090</b>	<b>1,353,589</b>
Tax on profit	8	213,449	(266,927)
<b>Profit for the financial year</b>		<b>1,636,539</b>	<b>1,086,662</b>
<b>Total comprehensive income for the year</b>		<b>1,636,539</b>	<b>1,086,662</b>

The notes on pages 12 to 21 form part of these financial statements.

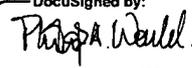
**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**  
**REGISTERED NUMBER: 06730238**

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

	Note	2019 £	2018 £
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	9	36,416,696	36,530,972
Debtors: amounts falling due within one year	9	1,512,339	2,209,803
Cash at bank and in hand	10	3,058,737	2,550,970
		<u>40,987,772</u>	<u>41,291,745</u>
Creditors: amounts falling due within one year	11	(3,232,185)	(2,908,903)
<b>Net current assets</b>		<u>37,755,587</u>	<u>38,382,842</u>
<b>Total assets less current liabilities</b>		<u>37,755,587</u>	<u>38,382,842</u>
Creditors: amounts falling due after more than one year	12	(44,408,946)	(46,672,740)
<b>Net liabilities</b>		<u>(6,653,359)</u>	<u>(8,289,898)</u>
<b>Capital and reserves</b>			
Called up share capital	16	60,000	60,000
Profit and loss account	17	(6,713,359)	(8,349,898)
		<u>(6,653,359)</u>	<u>(8,289,898)</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

DocuSigned by:  
  
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**P A Would**  
 Director

Date: 29 June 2020

The notes on pages 12 to 21 form part of these financial statements.

<b>EQUITIX EDUCATION (DERBYSHIRE) LIMITED</b>
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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£
At 1 January 2019	60,000	(8,349,898)	(8,289,898)
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,636,539	1,636,539
<b>Other comprehensive income for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	1,636,539	1,636,539
<b>At 31 December 2019</b>	<b>60,000</b>	<b>(6,713,359)</b>	<b>(6,653,359)</b>

The notes on pages 12 to 21 form part of these financial statements.

<b>EQUITIX EDUCATION (DERBYSHIRE) LIMITED</b>
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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	60,000	(9,436,560)	(9,376,560)
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,086,662	1,086,662
<b>Other comprehensive income for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	1,086,662	1,086,662
<b>At 31 December 2018</b>	<b>60,000</b>	<b>(8,349,898)</b>	<b>(8,289,898)</b>

The notes on pages 12 to 21 form part of these financial statements.

**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

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

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

Equitix Education (Derbyshire) Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK. Details of registered office address is that of the disclosed on the Company Information page and principal activities are included within the Director's report. These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling and amounts are rounded to the nearest £ unless otherwise stated.

In preparing the financial statements of the company, advantage has been taken of the following disclosure exemption available in FRS 102, as a result of the company being a small entity:

- No cash flow statement has been presented for the company.
- Service concession arrangements – The Company entered into its Service concession arrangement before the date of transition to this FRS. Therefore its service concession arrangements have continued to be accounted for using the same accounting policies being applied at the date of transition to this FRS.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgments made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

**1.2 Turnover**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Income received in respect of the service concession is allocated between revenue and capital repayment of, and interest income on, the PFI financial asset using the effective interest rate method. Service revenue is recognised as a margin on non-pass-through operating and maintenance costs.

All amounts arose entirely in the UK and are shown net of any sales tax.

**1.3 Finance debtor**

The Company is an operator under a PFI contract. Under the terms of the contract, substantively all the risks and rewards of ownership of the property asset remain with Derbyshire County Council. The underlying asset is therefore not treated as a fixed asset of the Company.

**1.4 Finance debtor and income recognition**

During the construction phase of the project, all attributable expenditure including finance costs are included in amounts recoverable on contracts and turnover. Upon the asset becoming operational, the costs are transferred to the finance debtor. During the operational phase, income is allocated between interest receivable and turnover. The remainder of the PFI income will be allocated to the finance debtor.

**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

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

**1. Accounting policies (continued)**

**1.5 Capitalised interest**

Interest cost on borrowing facilities used to fund the construction programme of the two secondary schools are added to the amounts recoverable on contract during the construction period. This treatment ceased once the buildings were completed.

**1.6 Financial Instruments**

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

**1.7 Operating costs**

Operating costs are added to the amounts recoverable on contract during the construction period. Following the completion of the buildings, regular operating, maintenance costs and general overheads are expensed to the profit and loss as incurred.

**1.8 Financial liabilities**

Financial liabilities are measured initially at the amount of net proceeds payable.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal substance.

**1.9 Current and deferred 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.

**EQUITIX EDUCATION (DERBYSHIRE) LIMITED**

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

**1. Accounting policies (continued)**

**1.10 Going concern**

As highlighted in note 13 to the financial statements, the Company meets its day to day working capital requirements principally through a senior debt facility which is in place until 2035, with interest payments fixed for the term of the loan.

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance show that the Company should be able to operate within the level of its current facilities.

The directors are also mindful of the potential impacts of Covid-19 and Brexit, and feel that, because of the tight controls over financing and the fixed agreements in place, the company will continue to operate as expected.

The directors also consider the biggest risk to going concern is the potential impacts of Brexit and Covid-19 on the FM contractor's position. The credit and performance risk of the FM contract supplier is monitored on a regular basis to ensure that the services are delivered on a continuing timely basis to the appropriate standard.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they adopt the going concern basis in preparing the annual report and accounts.

**1.11 Refinancing fees**

Refinancing costs are initially recognised as a reduction in the proceeds of the associated capital instrument. The capitalised fees are then released to the statement of comprehensive income on an amortised basis over the term of the loan.

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

The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year are as follows:

**Key sources of estimation uncertainty**

**Financial Asset Interest Rate** - The financial asset interest income is based on the weighted average cost of capital of the project and is applied to the carrying value of the Financial Asset on a quarterly basis. The interest rate used in 2019 is 7.90% (2018: 7.90%) per annum.

**Service Margin** - After the property is constructed, the company provides property management services. The remuneration for these services is recognised at cost plus an estimated mark up for profit on property management services.

**Critical judgments**

**Concession arrangements** - The concession arrangements undertaken by the company are considered to fall within the scope of section 34 of FRS 102 "Service Concession Arrangements", as described in the Turnover policy. This judgment has been based on a consideration of the nature and terms of the agreements.

<b>EQUITIX EDUCATION (DERBYSHIRE) LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**3. Turnover**

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Service income	1,989,410	1,998,857
	1,989,410	1,998,857
	1,989,410	1,998,857

All turnover arose within the United Kingdom.

**4. Directors' remuneration**

No Directors, who are key management personnel, received any remuneration for their services to the Company (2018 - £nil); the Company is managed by secondees from a related party to the shareholders under a management services contract.

**5. Employees**

The Company had no employees during the year (2018 - none).

**6. Interest receivable**

	2019 £	2018 £
Interest earned on cash balances	5,359	-
Interest receivable from group companies	85,790	76,387
Finance debtor interest receivable	2,838,033	2,915,422
	2,929,182	2,991,809
	2,929,182	2,991,809

**7. Interest payable and similar expenses**

	2019 £	2018 £
Bank loan interest payable	1,250,197	1,306,587
Loans from group undertakings	399,011	402,054
Amortised re-financing costs	122,680	128,304
	1,771,888	1,836,945
	1,771,888	1,836,945

<b>EQUITIX EDUCATION (DERBYSHIRE) LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**8. Taxation**

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	151,688
Adjustments in respect of previous periods	-	201
	-	151,889
<b>Total current tax</b>	-	151,889
<b>Deferred tax</b>		
Origination and reversal of timing differences	(213,449)	115,038
<b>Total deferred tax</b>	(213,449)	115,038
<b>Taxation on (loss)/profit on ordinary activities</b>	(213,449)	266,927

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	1,423,090	1,353,589
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	270,387	257,144
<b>Effects of:</b>		
Adjustments to tax charge in respect of prior periods	(270,744)	(61,520)
Tax adjustment, reliefs and transfers	-	84,837
Adjust opening deferred tax to rate of 19.00%	(213,092)	(226,628)
Adjust closing deferred tax to rate of 19.00%	-	213,094
<b>Total tax charge for the year</b>	(213,449)	266,927

The Company has recognised a deferred tax asset of £2,152,946 (2018: £1,811,282) representative of tax losses not utilised. This deferred tax asset has been recognised as the Directors of the Company feel it appropriate given the confidence of the Company's ability to utilise the deferred tax asset in future periods.

<b>EQUITIX EDUCATION (DERBYSHIRE) LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**9. Debtors**

	2019 £	2018 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	2,905,298	2,905,298
Finance debtor	31,358,452	31,814,375
Deferred tax asset	2,152,946	1,811,299
	36,416,696	36,530,972
	2019 £	2018 £
<b>Due within one year</b>		
Amounts owed by group undertakings	166,053	80,263
Prepayments and accrued income	171,596	154,216
Finance debtor	1,174,690	1,975,324
	1,512,339	2,209,803

Amounts owed by group undertakings is an intercompany loan totalling £2,905,298 (2018: £2,905,298) owed by Equitix Education (Derbyshire) Holdings Limited and ultimately owed by the parent companies as follows: Equitix Education Limited in proportion of 80%, Building Schools for Future Investments LLP in proportion of 19% and Derbyshire Learning and Community Partnership Limited in proportion of 1%. The loan bears interest at fixed rate of 2.86% and is repayable in installments by March 2037.

**10. Cash and cash equivalents**

	2019 £	2018 £
Cash at bank and in hand	3,058,737	2,550,971
	3,058,737	2,550,971

<b>EQUITIX EDUCATION (DERBYSHIRE) LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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

	2019 £	2018 £
Bank loans (Note 13)	2,306,843	1,806,929
Trade creditors	189,046	185,406
Amounts owed to group undertakings (Note 13)	69,067	61,470
Corporation tax	-	99,291
Other taxation and social security	214,984	202,355
Accruals and deferred income	452,245	553,452
	3,232,185	2,908,903

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

	2019 £	2018 £
Bank loans (Note 13)	41,214,323	43,409,049
Amounts owed to group undertakings (Note 13)	3,194,623	3,263,691
	44,408,946	46,672,740

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Loans**

The Company has entered into a subordinated loan note agreement with Equitix Education (Derbyshire) Holdings Limited, the Company's parent undertaking, with a fixed interest rate of 12%.

The subordinated loans are repayable in instalments based on an agreed percentage of the total facility outstanding per annum, maturing in 2035.

The senior debt facility with Aviva Public Private Finance Limited commenced in December 2017 and was for an initial amount of £48,665,591 with a fixed interest rate of 2.76%. This loan is repayable in instalments based on an agreed percentage amount of the total facility outstanding per annum, maturing in 2035. The loan is secured by a fixed and floating charge over the assets of the Company.

Refinancing costs are initially recognised as a reduction in the proceeds of the associated capital instrument. The capitalised fees are then released to the statement of comprehensive income on an amortised basis over the term of the loan.

An analysis of maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Bank loans	2,306,843	1,806,929
Amounts owed to group undertakings	69,067	61,470
	2,375,910	1,868,399
<b>Amounts falling due 1-2 years</b>		
Bank loans	2,242,448	2,306,843
Amounts owed to group undertakings	77,604	69,067
	2,320,052	2,375,910
<b>Amounts falling due 2-5 years</b>		
Bank loans	7,510,071	7,360,399
Amounts owed to group undertakings	295,251	262,773
	7,805,322	7,623,172
<b>Amounts falling due after more than 5 years</b>		
Bank loans	32,483,692	34,875,965
Unamortised debt arrangement fees	(1,021,888)	(1,134,158)
Amounts owed to group undertakings	2,821,769	2,931,851
	34,283,573	36,673,658

<b>EQUITIX EDUCATION (DERBYSHIRE) LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**14. Deferred taxation**

	£
Deferred taxation at 1st January 2019	1,811,282
Deferred taxation movement in year	341,664
<b>Deferred Tax Asset on Losses</b>	<b><u>2,152,946</u></b>

**15. Financial instruments**

	2019 £	2018 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<b><u>38,663,230</u></b>	<b><u>39,326,233</u></b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<b><u>(47,426,148)</u></b>	<b><u>(50,414,155)</u></b>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors and financial assets in respect of infrastructure assets.

Financial Liabilities measured at amortised cost comprise bank loans, group loans, trade creditors, accruals and other creditors.

<b>EQUITIX EDUCATION (DERBYSHIRE) LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**16. Share capital**

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
60,000 (2018 - 60,000) Ordinary shares of £1.00 each	<b>60,000</b>	<b>60,000</b>
All shares rank pari passu		

**17. Reserves****Profit and loss account**

The profit and loss account includes all current and prior period retained profits and losses.

**18. Related party transactions**

The Company has taken advantage of the exemption in Financial Reporting Standard 102 and has not disclosed transactions with group undertakings where 100% of the equity interest is held.

During the period Equitix Management Services Limited provided management services to the Company amounting to £107,059 (2018: £104,579).

**19. Controlling party**

The Company's immediate parent company is Equitix Education (Derbyshire) Holdings Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The Company's ultimate parent entity is Equitix Fund I LP, registered office address of 3rd Floor (South) 200 Aldersgate Street, London, EC1A 4HD, a limited partnership registered in England and Wales. It is the directors' opinion that there is no one overall controlling party.