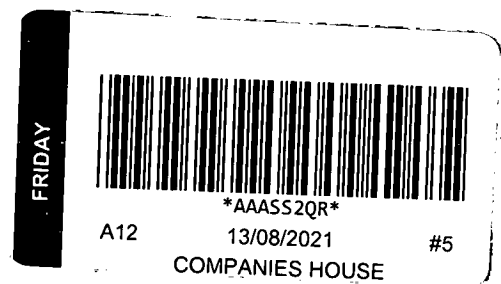


Company Registration No. 06767434 (England and Wales)

**LEEDS PFI SPV 2 LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**



## **LEEDS PFI SPV 2 LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	C Douglass A Thakrar	(Appointed 14 April 2021) (Appointed 14 April 2021)
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<b>Secretary</b>	Mr Jack Fowler
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<b>Company number</b>	06767434
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<b>Registered office</b>	Office 4.10 1 Aire Street Leeds England LS1 4PR
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<b>Auditor</b>	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
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# **LEEDS PFI SPV 2 LIMITED**

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## **LEEDS PFI SPV 2 LIMITED**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present the strategic report for the year ended 31 December 2020.

#### **Business review**

The company is contracted by Leeds Partnerships NHS Foundation Trust to provide maintained mental health facilities in Leeds. Facilities management services are subcontracted to Mitie FM Limited; service deductions are passed down to Interserve to mitigate the risk of deductions being suffered by the company. The company suffered no deductions during the year or preceding period that were not passed down to the facilities management subcontractor.

#### **Principal risks and uncertainties**

The company manages interest rate risk via an interest rate swap agreement. All RPI risk is managed via an index linked payment mechanism.

The company has a single client; although loss of this client would be financially significant, the company mitigates this risk via project contracts and by only dealing with creditworthy government authorities.

The company's board of directors has built an appropriate liquidity risk management framework for the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching maturity profiles of financial assets and liabilities.

The directors have considered the stability of financial counterparties to this project during the operational phase and have concluded that all financial counterparties have the ability to meet all contractual obligations associated to the senior lending facilities.

The directors have also considered the ability of government authorities to continue to pay unitary fees due to the company and do not consider this to be a material risk.

#### **Key performance indicators**

The key performance indicators for the company are that the company suffered minimal unavailability or service deductions during the year and preceding period and performed within the restrictions imposed by project documentation. The company performed within the parameters expected in comparison to financial model profiling and at no time breached any covenant of the project documentation.

On behalf of the board



A Thakrar  
**Director**

29 July 2021

## **LEEDS PFI SPV 2 LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present their annual report and financial statements for the year ended 31 December 2020.

#### **Principal activities**

The principal activity of the company is to provide maintained mental health facilities to Leeds Partnerships NHS Foundation Trust under the Government's Private Finance Initiative.

The initial concession period runs to July 2028 at which point the Leeds Partnerships NHS Foundation Trust has the option to extend the concession period for a further 15 years. If this is exercised, the concession period can then be extended for a further 10 years by the Trust.

#### **Results and dividends**

The results for the year are set out on page 9.

The company continued to provide maintained mental health facilities to Leeds Mental Health Trust throughout the year and suffered no income deductions that were not fully recovered from subcontractors.

A dividend was paid in the year of £1,622k (2019: £3,217k).

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C Douglass	(Appointed 14 April 2021)
A Thakrar	(Appointed 14 April 2021)
R D Knight	(Resigned 14 April 2021)
P A Would	(Resigned 14 April 2021)

#### **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.

#### **Supplier payment policy**

The company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that all company suppliers are made aware of the terms of payment and abide by these terms. Trade creditors of the company at 31 December 2020 were equivalent to 54 days' purchases (2019: 46 days), based on the average daily amount invoiced by suppliers during the year.

#### **Auditor**

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

## **LEEDS PFI SPV 2 LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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##### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

##### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

##### **Covid-19 & going concern**

The company's forecasts and projections, taking into account possible changes in counterparty performance, show that the company expects to be able to operate within the level of its current facilities and continue to meet forecast loan covenants.

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 continue to adopt the going concern basis in preparing the financial statements.

In the annual review of the company's going concern, the directors have considered the long term impact of the corona virus, COVID-19, pandemic. Recent Government Procurement Policy Note sets out information and guidance for public bodies on payment of their suppliers to ensure service continuity during and after the current COVID-19 outbreak confirming that the suppliers will continue to be paid as normal. The company has entered into long-term contracts with its customer and suppliers, and after careful review of these contracts the directors are confident that the company can operate as normal for the next twelve months. The directors have committed to carrying out regular reviews of the company's cash flows to monitor the ongoing situation.

**LEEDS PFI SPV 2 LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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On behalf of the board

A handwritten signature in black ink, appearing to read 'A Thakrar', with a long horizontal stroke extending to the right.

A Thakrar  
**Director**

29 July 2021

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF LEEDS PFI SPV 2 LIMITED**

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**Opinion**

We have audited the financial statements of Leeds PFI SPV 2 Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2020 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 *Auditor's 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 UK, including the FRC'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.



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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF LEEDS PFI SPV 2 LIMITED**

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**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF LEEDS PFI SPV 2 LIMITED**

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**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

**Auditor's 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 auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence, including correspondence with legal advisors, enquiries of management and review of the financial model and related audit reports in so far as they relate to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF LEEDS PFI SPV 2 LIMITED**

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There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

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.



**Marc Waterman (Senior Statutory Auditor)**  
**For and on behalf of UHY Hacker Young**

29 July 2021

**Chartered Accountants**  
**Statutory Auditor**

**LEEDS PFI SPV 2 LIMITED****STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2020**

		<b>2020</b>	<b>2019</b>
	<b>Notes</b>	<b>£000</b>	<b>£000</b>
<b>Turnover</b>	<b>3</b>	12,863	10,798
Cost of sales		(7,367)	(5,963)
<b>Gross profit</b>		5,496	4,835
Administrative expenses		(2,480)	(2,153)
<b>Operating profit</b>	<b>4</b>	3,016	2,682
Interest receivable and similar income	<b>6</b>	3,466	3,622
Interest payable and similar expenses	<b>7</b>	(4,069)	(4,132)
<b>Profit before taxation</b>		2,413	2,172
Tax on profit	<b>8</b>	(312)	(1,230)
<b>Profit for the financial year</b>		2,101	942
<b>Other comprehensive income</b>			
Cash flow hedges loss arising in the year		(331)	(273)
Tax relating to other comprehensive income		63	97
<b>Total comprehensive income for the year</b>		1,833	766

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 12 to 27 form part of these financial statements.

**LEEDS PFI SPV 2 LIMITED****BALANCE SHEET****AS AT 31 DECEMBER 2020**

		<b>2020</b>		<b>2019</b>	
	<b>Notes</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Fixed assets</b>					
Intangible assets	<b>10</b>		10,937		12,379
<b>Current assets</b>					
Debtors falling due after more than one year	<b>12</b>	44,382		45,283	
Debtors falling due within one year	<b>12</b>	2,101		2,023	
Cash at bank and in hand		5,700		4,729	
		<u>52,183</u>		<u>52,035</u>	
<b>Creditors: amounts falling due within one year</b>	<b>13</b>	<u>(8,047)</u>		<u>(6,963)</u>	
<b>Net current assets</b>			44,136		45,072
<b>Total assets less current liabilities</b>			55,073		57,451
<b>Creditors: amounts falling due after more than one year</b>	<b>14</b>		(55,968)		(58,557)
<b>Net liabilities</b>			<u>(895)</u>		<u>(1,106)</u>
<b>Capital and reserves</b>					
Hedging reserve			(2,324)		(2,056)
Profit and loss reserves	<b>18</b>		1,429		950
<b>Total equity</b>			<u>(895)</u>		<u>(1,106)</u>

The notes on pages 12 to 27 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 29 July 2021 and are signed on its behalf by:



A Thakrar  
Director

Company Registration No. 06767434

**LEEDS PFI SPV 2 LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

		<b>Hedging reserve</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>Notes</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Balance at 1 January 2019</b>		(1,880)	3,225	1,345
<b>Year ended 31 December 2019:</b>				
Profit for the year		-	942	942
Other comprehensive income:				
Cash flow hedges gains		(273)	-	(273)
Tax relating to other comprehensive income		97	-	97
Total comprehensive income for the year		(176)	942	766
Dividends	<b>9</b>	-	(3,217)	(3,217)
<b>Balance at 31 December 2019</b>		(2,056)	950	(1,106)
<b>Year ended 31 December 2020:</b>				
Profit for the year		-	2,101	2,101
Other comprehensive income:				
Cash flow hedges gains		(331)	-	(331)
Tax relating to other comprehensive income		63	-	63
Total comprehensive income for the year		(268)	2,101	1,833
Dividends	<b>9</b>	-	(1,622)	(1,622)
<b>Balance at 31 December 2020</b>		(2,324)	1,429	(895)

**LEEDS PFI SPV 2 LIMITED****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2020**

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		2020		2019	
	Notes	£000	£000	£000	£000
<b>Cash flows from operating activities</b>					
Cash generated from operations	21		6,337		9,527
Interest paid			(3,765)		(3,870)
Income taxes paid			(483)		(945)
			<u>          </u>		<u>          </u>
<b>Net cash inflow from operating activities</b>			2,089		4,712
 <b>Investing activities</b>					
Interest received		3,061		3,151	
Other income received from investments		405		471	
		<u>          </u>		<u>          </u>	
<b>Net cash generated from investing activities</b>			3,466		3,622
 <b>Financing activities</b>					
Repayment of borrowings		(305)		(262)	
Repayment of bank loans		(2,657)		(3,031)	
Dividends paid		(1,622)		(3,217)	
		<u>          </u>		<u>          </u>	
<b>Net cash used in financing activities</b>			(4,584)		(6,510)
			<u>          </u>		<u>          </u>
<b>Net increase in cash and cash equivalents</b>			971		1,824
 Cash and cash equivalents at beginning of year			4,729		2,905
			<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at end of year</b>			5,700		4,729
			<u>          </u>		<u>          </u>

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# **LEEDS PFI SPV 2 LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **1 Accounting policies**

##### **Company information**

Leeds PFI SPV 2 Limited is a private company limited by shares incorporated in England and Wales. The registered office is Office 4.10, 1 Aire Street, Leeds, England, LS1 4PR.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

The company's forecasts and projections, taking into account reasonably possible changes in counterparty performance, show that the company expects to be able to operate within the level of its current facilities and continue to meet forecast loan covenants.

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 continue to adopt the going concern basis in preparing the financial statements.

In the annual review of the company's going concern, the directors have considered the long term impact of the corona virus, COVID-19, pandemic. Recent Government Procurement Policy Note sets out information and guidance for public bodies on payment of their suppliers to ensure service continuity during and after the current COVID-19 outbreak confirming that the suppliers will continue to be paid as normal. The company has entered into long-term contracts with its customer and suppliers, and after careful review of these contracts the directors are confident that the company can operate as normal for the next twelve months. The directors have committed to carrying out regular reviews of the company's cash flows to monitor the ongoing situation.



## **LEEDS PFI SPV 2 LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2020**

---

#### **1 Accounting policies**

**(Continued)**

##### **1.3 Turnover**

The assets of the company fall under Service Concession Arrangements by virtue of the fact that the public sector customer ("Grantor") passes both elements of the asset control test:

i) The Grantor controls the use of the asset via the project agreement and all service level requirements contained therein;

ii) The Grantor controls the entitlement to residual asset proceeds via an entitlement to purchase the asset prior to an offer to the open market which can be exercised at the Grantor's discretion.

Under section 34 of FRS 102, such assets should be capitalised into a financial asset attributed to the provision of services.

Pursuant to section 23 of FRS 102, revenue associated with the financial asset comprises service income related to facilities management, lifecycle maintenance and other administrative running costs of the company.

Interest income is recognised in the profit or loss using the effective interest method.

##### **1.4 Intangible fixed assets**

An intangible asset is recognised on the acquisition of service concession arrangements and represents the rights to future profits on the service element of these concessions. This intangible is initially recognised at fair value and is subsequently amortised over the period of service concession, ending on 31 July 2028.

At each reporting date, the directors review the carrying amounts of intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

##### **1.5 Finance costs**

Finance costs are charged to the profit or loss 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.

##### **1.6 Borrowing costs**

All borrowing costs are recognised in the profit or loss in the year in which they are incurred.

##### **1.7 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## LEEDS PFI SPV 2 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 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 Cashflows, 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.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

## LEEDS PFI SPV 2 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2020

---

#### 1 Accounting policies

(Continued)

##### *Other financial assets*

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### *Impairment of financial assets*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### *Derecognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# LEEDS PFI SPV 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### *Basic financial liabilities*

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### *Other financial liabilities*

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.11 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

# LEEDS PFI SPV 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1.12 Hedge accounting

The Company uses variable to fixed interest rate swaps to manage its exposure to cash flow risk on its variable rate debt. These derivatives are measured at fair value at each balance sheet date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the year.

Gains and losses on the hedging instruments and the hedged items are recognised in profit or loss for the year. When a hedged item is an unrecognised firm commitment, the cumulative hedging gain or loss on the hedged item is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

##### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

###### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

## **LEEDS PFI SPV 2 LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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## **1 Accounting policies**

**(Continued)**

### **1.14 Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

## **2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

### ***Concession arrangements***

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

## LEEDS PFI SPV 2 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2020

## 2 Judgements and key sources of estimation uncertainty

(Continued)

### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### *Financial Asset*

The calculation of the amortised cost of the financial asset requires an estimate of the residual value of the properties at the end of the lease term. This estimate has been based on the residual value allocated to the contact based on an external valuation of the properties undertaken in 2013 and applied in the financial model.

#### *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 2020 is 9.70% (2019: 9.70%) per annum.

#### *Service Margin*

After the property is constructed, the group provides property management services. The remuneration for these services is recognised at cost plus an estimated mark up for profit on property management services. The service margin rate used in 2020 is 58.89% (2019: 58.89%) per annum.

## 3 Turnover and other revenue

	2020 £000	2019 £000
<b>Turnover analysed by class of business</b>		
Service revenue	12,863	10,798
	<u>          </u>	<u>          </u>
	2020 £000	2019 £000
<b>Other significant revenue</b>		
Interest income	3,061	3,151
	<u>          </u>	<u>          </u>

All turnover arose within the United Kingdom.

## 4 Operating profit

	2020 £000	2019 £000
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	7	8
Amortisation of intangible assets	1,442	1,442
	<u>          </u>	<u>          </u>

**LEEDS PFI SPV 2 LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****5 Directors' remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Directors' emoluments	46	39

No directors are employed directly by the company. A recharge is made for directors' services. The company had no employees during the period (2019: none).

**6 Interest receivable and similar income**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Bank interest receivable	5	5
Financial asset interest receivable	3,056	3,146
Share of joint ventures' interest receivable	405	471
	<u>3,466</u>	<u>3,622</u>

**7 Interest payable and similar expenses**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Amortised debt issue costs	31	31
Interest payable to group undertakings	2,556	2,549
Senior loan and swap interest payable	1,178	1,290
Refinancing costs amortisation	304	262
	<u>4,069</u>	<u>4,132</u>

**8 Taxation**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	374	405
Adjustments in respect of prior periods	77	847
Total current tax	<u>451</u>	<u>1,252</u>



**LEEDS PFI SPV 2 LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**8 Taxation**

**(Continued)**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(139)	(22)
	<u>          </u>	<u>          </u>
 Total tax charge	 312	 1,230
	<u>          </u>	<u>          </u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Profit before taxation	2,413	2,172
	<u>          </u>	<u>          </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	458	413
Tax effect of expenses that are not deductible in determining taxable profit	2,582	2,484
Tax effect of income not taxable in determining taxable profit	(2,642)	(2,319)
Adjustments in respect of prior years	78	-
Group relief	(77)	(95)
Depreciation on assets not qualifying for tax allowances	11	-
Under/(over) provided in prior years	-	847
Deferred tax adjustments in respect of prior years	12	-
Deferred tax movement charge to other comprehensive income	-	(97)
Timing differences not recognised	(110)	(3)
	<u>          </u>	<u>          </u>
Taxation charge for the year	312	1,230
	<u>          </u>	<u>          </u>

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Deferred tax arising on:		
Revaluation of financial instruments treated as cash flow hedges	(63)	(97)
	<u>          </u>	<u>          </u>

**LEEDS PFI SPV 2 LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****9 Dividends**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Interim dividends paid at £811,000 per share (2019: £ 1,608,000)	1,622	3,217

**10 Intangible fixed assets**

	<b>Intangible assets £000</b>
<b>Cost</b>	
At 1 January 2020 and 31 December 2020	25,562
<b>Amortisation and impairment</b>	
At 1 January 2020	13,183
Amortisation charged for the year	1,442
At 31 December 2020	14,625
<b>Carrying amount</b>	
At 31 December 2020	10,937
At 31 December 2019	12,379

The intangible asset recorded represents the value of the future service concession profits and arose upon acquisition of the other assets acquired from Accent Foundation Limited on 13 February 2009. This intangible asset is amortised over the period of service of concession, ending on 31 July 2028.

**11 Financial instruments**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	45,660	37,034
<b>Carrying amount of financial liabilities</b>		
Measured at fair value through profit or loss		
- Derivative financial instruments designated as hedges of variable interest rate risk	2,869	2,539
Measured at amortised cost	60,425	65,177

## LEEDS PFI SPV 2 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 11 Financial instruments

(Continued)

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, accrued income 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.

Derivative financial instruments designated as hedges of variable interest rate risk comprise an interest rate swap. The fair value of the interest rate swap has been determined by reference to prices available from the markets on which the instruments involved are traded.

#### 12 Debtors

	2020	2019
	£000	£000
<b>Amounts falling due within one year:</b>		
Trade debtors	-	345
Prepayments and accrued income	1,357	1,136
	<u>1,357</u>	<u>1,481</u>
Deferred tax asset (note 16)	744	542
	<u>2,101</u>	<u>2,023</u>
	<u>2,101</u>	<u>2,023</u>
<b>Amounts falling due after more than one year:</b>		
	2020	2019
	£000	£000
Amounts owed by group undertakings	12,284	13,501
Financial assets	32,098	31,782
	<u>44,382</u>	<u>45,283</u>
	<u>44,382</u>	<u>45,283</u>
<b>Total debtors</b>	<u>46,483</u>	<u>47,306</u>

Amounts owed by group undertakings is an intercompany loan totalling £12,284k (2019: £13,501k) owed by Leeds PFI SPV2 Midco Limited.

**LEEDS PFI SPV 2 LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****13 Creditors: amounts falling due within one year**

	Notes	2020 £000	2019 £000
Bank loans	15	3,254	2,992
Trade creditors		1,096	751
Amounts owed to group undertakings		1,133	1,168
Corporation tax		373	405
Other taxation and social security		348	424
Other creditors		286	317
Accruals and deferred income		1,557	906
		<u>8,047</u>	<u>6,963</u>

**14 Creditors: amounts falling due after more than one year**

	Notes	2020 £000	2019 £000
Bank loans	15	26,849	30,094
Unamortised debt arrangement fees	15	(925)	(1,251)
Amounts owed to group undertakings	15	27,175	27,175
Cash flow hedge - interest rate swap		2,869	2,539
		<u>55,968</u>	<u>58,557</u>

Amounts included above which fall due after five years are as follows:

Payable other than by instalments	<u>27,175</u>	<u>27,175</u>
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**LEEDS PFI SPV 2 LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****15 Loans and overdrafts**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Bank loans	30,103	33,086
Unamortised debt arrangement fees	(925)	(1,251)
Amounts owed to group undertakings	27,175	27,175
	<u>56,353</u>	<u>59,010</u>
Payable within one year	3,254	2,992
Payable after one year	<u>53,099</u>	<u>56,018</u>

During 2018 the company refinanced its term loan arrangements with the existing lender, extending the existing SWAP to cover the increased loan amount. Amortised arrangement fees on the old debt and amortised refinancing costs have been expensed through the profit and loss account as disclosed in note 7.

The senior debt facility with National Australia Bank Limited consists of £36,402k with a fixed interest rate of 1.10%. This loan is repayable in instalments based on an agreed percentage amount of the total facility outstanding per annum, maturing in 2027. The swap expires on 31 March 2027. Issue costs of the debt are offset against the bank loan and will be amortised over the duration of the facilities.

The company has a loan note agreement with its immediate parent Equitix Healthcare (Leeds) Holdings Limited for £27,175k. This loan has a fixed interest rate of 9.51% until March 2024 at which point it is increased to 10.51% to March 2028. After this point the interest rate is increased to 10.68% until repayment in a single instalment in September 2028.

**LEEDS PFI SPV 2 LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****16 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	<b>Assets 2020 £000</b>	<b>Assets 2019 £000</b>
<b>Balances:</b>		
Fixed asset timing differences	(242)	(381)
Tax losses carried forward	441	441
Revaluations	545	-
Cash flow hedge reserve	-	482
	<u>744</u>	<u>542</u>

	<b>2020 £000</b>
<b>Movements in the year:</b>	
Asset at 1 January 2020	(542)
Credit to profit or loss	(139)
Credit to other comprehensive income	(63)
	<u>(744)</u>
Asset at 31 December 2020	<u>(744)</u>

**17 Share capital**

	<b>2020 £000</b>	<b>2019 £000</b>
<b>Ordinary share capital</b>		
<b>Allotted, called up and fully paid</b>		
2 (2019: 2) Ordinary shares of £1 each	-	-
	<u>-</u>	<u>-</u>

## LEEDS PFI SPV 2 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 18 Reserves

##### Hedging reserve

Gains and losses on the hedging instruments and the hedged items are recognised in the hedging reserve for the year.

##### Profit and loss reserves

The profit and loss account comprises the cumulative distributable profits of the company less any dividends paid to the parent company.

#### 19 Related party transactions

During the year the company paid £46k (2019: £39k) to Equitix Healthcare Limited in relation to directors' fees. No liability was outstanding at the year end (2019: £nil). Equitix Healthcare Limited is a related party as a 100% shareholder of Equitix Healthcare (Leeds) Holdings Limited, the company's immediate parent.

#### 20 Ultimate controlling party

The company's immediate parent company is Equitix PFI SPV2 Midco Limited, a company registered in England and Wales. The company's ultimate parent and controlling entity is Equitix Fund I LP, a limited partnership registered in England and Wales.

#### 21 Cash generated from operations

	2020	2019
	£000	£000
Profit for the year after tax	2,101	942
<b>Adjustments for:</b>		
Taxation charged	312	1,230
Finance costs	4,069	4,132
Investment income	(3,466)	(3,622)
Amortisation and impairment of intangible assets	1,442	1,442
<b>Movements in working capital:</b>		
Decrease in debtors	1,025	4,667
Increase in creditors	854	736
<b>Cash generated from operations</b>	<b>6,337</b>	<b>9,527</b>

**LEEDS PFI SPV 2 LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****22 Analysis of changes in net debt**

	<b>1 January 2020 £000</b>	<b>Cash flows £000</b>	<b>Market value movements £000</b>	<b>31 December 2020 £000</b>
Cash at bank and in hand	4,729	971	-	5,700
Borrowings excluding overdrafts	(59,010)	2,699	(42)	(56,353)
	<u>(54,281)</u>	<u>3,670</u>	<u>(42)</u>	<u>(50,653)</u>



**LEEDS PFI SPV 2 LIMITED**

**MANAGEMENT INFORMATION**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**LEEDS PFI SPV 2 LIMITED****DETAILED TRADING AND PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2020**

		2020		2019
	£000	£000	£000	£000
<b>Turnover</b>				
Service revenue		12,863		10,798
<b>Cost of sales</b>				
<i>Purchases and other direct costs</i>				
Direct costs	7,367		5,963	
	<u>7,367</u>		<u>5,963</u>	
Total purchases and other direct costs				
	<u>7,367</u>		<u>5,963</u>	
Total cost of sales		(7,367)		(5,963)
<b>Gross profit</b>	42.73%	5,496	44.78%	4,835
<b>Administrative expenses</b>		(2,480)		(2,153)
<b>Operating profit</b>		3,016		2,682
<b>Interest receivable and similar income</b>				
Bank interest received	5		5	
Financial asset interest receivable	3,056		3,146	
Share of joint ventures' interest receivable	405		471	
	<u>3,466</u>		<u>3,622</u>	
<b>Interest payable and similar expenses</b>				
Senior loan and swap interest payable	1,178		1,290	
Amortised debt issue costs	31		31	
Interest payable to group companies	2,556		2,549	
Refinancing costs amortisation	304		262	
	<u>(4,069)</u>		<u>(4,132)</u>	
<b>Profit before taxation</b>	18.76%	2,413	20.11%	2,172

**LEEDS PFI SPV 2 LIMITED****SCHEDULE OF ADMINISTRATIVE EXPENSES****FOR THE YEAR ENDED 31 DECEMBER 2020**

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	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
<b>Administrative expenses</b>		
Directors' remuneration	46	39
Management charge	187	182
Premises insurance	48	50
Software costs	1	1
Utilities	694	383
Legal and professional fees	13	10
Consultancy fees	-	13
Audit fees	7	8
Bank charges	42	25
Amortisation	1,442	1,442
	<hr/>	<hr/>
	2,480	2,153
	<hr/>	<hr/>

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