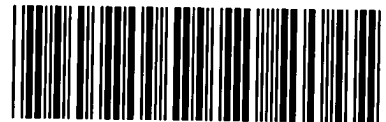


EQUITIX CAMBRIDGESHIRE LIMITED

**DIRECTOR'S REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

Registered Number: 06772352

WEDNESDAY



L790A3TU
LD4 27/06/2018 #189
COMPANIES HOUSE

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

CONTENTS	Page
Directors and advisors	2
Directors' report	3
Statement of Directors' responsibilities	4
Independent auditor's report to the members of Equitix Cambridgeshire Limited	5-6
Profit and loss account	7
Balance sheet	8
Statement of changes in equity	9
Cash flow statement	10
Notes to the financial statements	11-15

DIRECTORS AND ADVISORS

Directors

David Harding
Richard Knight

Registered office

Welken House
10-11 Charterhouse Square
London
EC1M 6EH

Auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Banker

HSBC BANK PLC
8 Canada Square
London
E14 5HQ

DIRECTORS' REPORT

The Directors submit their director's report and the audited financial statements of Equitix Cambridgeshire Limited (the "Company"), together with the auditor's report, for the year ended 31 December 2017. The subsidiary and associated undertakings principally affecting the profits or net assets of the Company in the year are listed in note 14 to the financial statements. The group qualifies as a small group under section 383 of The Companies Act 2006 and is not required to produce consolidated financial statements.

PRINCIPAL ACTIVITIES

The principal activity of the Company is to act as intermediate holding company to the Equitix Cambridgeshire project companies: Cambridgeshire Learning and Community Partnership Limited, Equitix Education (Cambridgeshire) Holdings Limited and Equitix Education (Cambridgeshire) Limited.

FUTURE DEVELOPMENTS

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

RESULTS AND DIVIDENDS

The profit and loss account is presented on page 7 and shows the result for the current and preceding year.

The Company did not pay a dividend in the year (2016:£nil).

GOING CONCERN

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 resources. The Directors of the Company have had regard in this assessment to the support available from other Group companies and their ability to provide this support. As a consequence, the Directors believe the Company is well placed to manage its risks successfully despite the current economic uncertainties and the economic outlook. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the year of at least 12 months from the date of the financial statements, taking into account both the profit in the year and the net assets position at the year end. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

FINANCIAL RISK MANAGEMENT

The Directors' Report has been prepared in accordance with the special provisions relating to small companies under s415a of the Companies Act 2006. As such, the Company is exempt from preparing a strategic report and from including financial risk management disclosures in the Directors' Report.

STRATEGIC REPORT EXEMPTION

The Directors report has been prepared in accordance with the special provisions relating to small companies under section 41s of the Companies Act 2006. As such the company is exempt from preparing a strategic report.

DIRECTORS

The Directors who served throughout the year, are shown on page 2.

AUDITOR

Each of the persons who is a Director at the date of approval of this annual report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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



On behalf of the Board
D J Harding
30 April 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

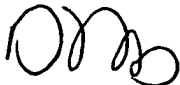
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board



D J Harding
30 April 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQUITIX ORBITAL HOLDINGS LIMITED

Opinion

We have audited the financial statements of Equitix Orbital Holdings Limited ("the company") for the period ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its result for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

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

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQUITIX ORBITAL HOLDINGS LIMITED

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Henry Todd (Senior Statutory Auditor)
for and on behalf of KPMG LLP
Chartered Accountants and Statutory Auditor
London, UK

30 April 2018

PROFIT AND LOSS ACCOUNT**FOR THE YEAR ENDED 31 DECEMBER 2017**

		Year ended 31 December 2017	Year ended 31 December 2016
	Notes	£'000	£'000
Net Interest received	5	44	43
Net Interest payable	5	(44)	(43)
Net Interest Result		-	-
Dividend received from subsidiary		-	-
Result on ordinary activities before taxation		-	-
Tax on result on ordinary activities	6	-	-
Result for the financial year		-	-

All items in profit and loss account relate to continuing operations.

The notes on pages 11 to 15 form part of these Financial Statements

All gains and losses are recognised in the profit and loss account in the current and prior year, and therefore no separate statement of other comprehensive income has been presented.

EQUITIX CAMBRIDGESHIRE LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
Investments	7	8	8
Current assets			
Debtors			
- due within one year	8	65	21
- due after one year	8	540	541
		<u>605</u>	<u>562</u>
Current liabilities			
Creditors: amounts falling due within one year	9	(65)	(22)
Net current assets		<u>540</u>	<u>540</u>
Total assets less current liabilities		<u>548</u>	<u>548</u>
Creditors: amounts falling due after more than one year	9	(548)	(548)
Net assets		<u>-</u>	<u>-</u>
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account		-	-
Shareholder's Funds		<u>-</u>	<u>-</u>

The notes on pages 11 to 15 form part of these Financial Statements

The financial statements of Equitix Cambridgeshire Limited, registered number 06772352, were approved by the Board of Directors on 30 April 2018 and were signed on its behalf by:



D J Harding
Director

EQUITIX CAMBRIDGESHIRE LIMITED

STATEMENT OF CHANGES IN EQUITY

	Share Capital £'000	Profit and Loss Account £'000	Total £'000
Balance at 1 January 2016	-	-	-
Result for the year	-	-	-
Dividend Paid	-	-	-
At 31 December 2016	<u>-</u>	<u>-</u>	<u>-</u>
Result for the year	-	-	-
At 31 December 2017	<u>-</u>	<u>-</u>	<u>-</u>

The notes on pages 11 to 15 form part of these Financial Statements

EQUITIX CAMBRIDGESHIRE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
Cash flows from investing activities			
Interest received from operating activities	5	36	37
Increase in receivables		(8)	(6)
Increase in payables		8	6
		<u>36</u>	<u>37</u>
Cash inflow from operating activities		<u>36</u>	<u>37</u>
Taxation			
Corporation tax paid		-	-
Financing			
Interest paid to immediate parent		(36)	(37)
Loans received from subsidiary		-	247
Loans paid to parent		-	(247)
		<u>-</u>	<u>-</u>
Movement in cash in the year		<u>-</u>	<u>-</u>
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		<u>-</u>	<u>-</u>

The notes on pages 11 to 15 form part of these Financial Statements

Notes to the financial statements for the year ended 31 December 2017

1 ACCOUNTING POLICIES

a) Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. A summary of the principal accounting policies adopted by the Directors, which have been applied consistently in the current period, is shown below. These financial statements are presented in pounds sterling, being the currency of the primary economic environment in which the Company operates. Monetary amounts are rounded to the nearest £'000.

Consolidated financial statements have not been prepared for the company and its joint ventures since the group satisfies the definition of a small group and has applied the exemption available under s383 of the Companies Act 2006.

b) Investments

Investments are shown at cost less provision for impairment.

c) Taxation

Current tax, including United Kingdom Corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

d) Going concern

The financial statements have been prepared on the going concern basis for the reasons set out in the Directors' Report.

e) Dividends

Equity dividends are recognised once a legal right to receive is forecast has been established.

f) Assessable risks

Credit risk

The Company is not exposed to significant credit risk as the Company's sole and principal activity is to act as intermediate holding company to the Equitix Derbyshire project companies: Cambridgeshire Learning and Community Partnerships Limited, Equitix Education (Cambridgeshire) Holdings Limited and Equitix Education (Cambridgeshire) Limited.

Liquidity risk

The Company is not exposed to significant liquidity risk as the Company's sole and principal activity is to act as an intermediate holding company as outlined above.

Foreign exchange risk

The Company does not currently have any exposure to foreign currency exchange risk, nor does it have any immediate plans to geographically deviate its focus.

Interest rate risk

The Company is not exposed to interest rate risk.

2 RESULT ON ORDINARY ACTIVITIES BEFORE TAXATION

The result on ordinary activities before taxation of the Company is attributable to the principal activity of the Company, all of which was carried out in the United Kingdom.

Fees of £780 (2016: £765) payable to the Company's auditor for the audit of the Company's annual accounts have been borne by Equitix Fund 1 KP, the Company's ultimate parent.

3 DIRECTORS' REMUNERATION

No Directors received any remuneration for their services to the Company during the year (2016: £nil); the Company is managed by secondees from a related party to the shareholders whom receive no compensation for their services.

4 STAFF NUMBERS

The Company had no employees during the year (2016: none).

Notes to the financial statements for the year ended 31 December 2017 (continued)

5 NET INTEREST

	2017 £'000	2016 £'000
Interest receivable		
Interest receivable from fixed asset investment (note 12)	36	37
Interest receivable on upstream loan to Parent (note 12)	8	6
	<u>44</u>	<u>43</u>
Interest payable		
Interest payable to parent company (note 12)	(36)	(37)
Interest payable to subsidiary (note 12)	(8)	(6)
	<u>(44)</u>	<u>(43)</u>
Net interest	<u>-</u>	<u>-</u>

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2017 £'000	2016 £'000
Taxation is based on the result for the year and comprises:		
UK corporation tax at a rate of 19.25% (2016 - 20%) of taxable loss		
- Current year	<u>-</u>	<u>-</u>

Factors affecting the tax charge for the current year

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax are as follows:

	£'000	£'000
Result on ordinary activities before tax	<u>-</u>	<u>-</u>
Result on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.25% (2016 - 20%).	-	-
Effects of adjustments to tax charge:		
Income not subject to taxation	-	-
Total current tax credit for the year	<u>-</u>	<u>-</u>

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

7 INVESTMENTS

	2017 £'000	2016 £'000
Interest in subsidiary undertakings		
Cost		
Opening balance at 1 January	8	8
Additions	-	-
Closing balance at 31 December	<u>8</u>	<u>8</u>

8 DEBTORS

	2017 £'000	2016 £'000
<u>Due within one year</u>		
Amounts owing from subsidiary	50	15
Amounts owing from parent	15	6
	<u>65</u>	<u>21</u>
<u>Due after more than one year</u>		
Amounts owing from subsidiary	293	294
Amounts owing from parent	247	247
	<u>540</u>	<u>541</u>

Company amounts owing from subsidiary comprise £344k (2016: £309k) of 12% subordinated loan notes due from Cambridgeshire Learning and Community Partnerships Ltd of which £50k (2016: £15k) is due within one year. An interest debtor of £46k is also included (2016: £11k).

Company amounts owing from parent comprise £247k (2015: £247k) of a 3.4% upstream loan due from Equitix Education Ltd with an interest debtor of £8k (2016: £6k) due within one year.

Notes to the financial statements for the year ended 31 December 2017 (continued)

9 CREDITORS

	Company	
	2017	2016
	£'000	£'000
<u>Due within one year</u>		
Accruals	(3)	(3)
Amounts payable to subsidiary undertakings	(15)	(6)
Amounts payable to parent undertakings	(47)	(13)
	<u>(65)</u>	<u>(22)</u>
<u>Due in more than one year</u>		
Amounts payable to parent undertakings	(301)	(301)
Amounts payable to subsidiary undertakings	(247)	(247)
	<u>(548)</u>	<u>(548)</u>

Included within amounts payable to parent undertakings is a subordinated loan the Company has borrowed to fund its investment obligations in Cambridgeshire Learning and Community Partnerships Ltd of £306k (2016 - 306k) from its parent company Equitix Education Limited. The loan consists of both interest bearing and non-interest bearing components. The interest bearing portion of the loan is £297k (2016 - £297k), and incurs interest at a fixed rate of 12%, of this amount, £4k (2016 - £5k) is due within one year. The loan is repayable in instalments based on a percentage of the total outstanding balance over the next 25 years.

Amounts owed to subsidiary undertakings comprises an upstream loan and interest thereon from Cambridgeshire Learning and Community Partnerships Ltd. On 15 January 2016 the Company entered into a loan agreement with Cambridgeshire Learning and Community Partnerships totalling £247k as a result of the project being refinanced and the upfront gain being paid to shareholders; this loan has a fixed interest of 3.401% and was outstanding in full and due in more than one year at year end.

10 FINANCIAL INSTRUMENTS

Interest rate and risk profile of financial assets and financial liabilities

Financial Assets

Composition of debtors

	2017	2016
	£'000	£'000
Loans and receivables	61	17
Interest receivable	545	545
Loan principal receivable	<u>606</u>	<u>562</u>

Financial liabilities

Composition of borrowings

	2016	2016
	£'000	£'000
Fixed rate liabilities	<u>(610)</u>	<u>(570)</u>

Interest rate profile

The interest rate profile of the companies financial liabilities at 31 December 2017 was:

Fixed rate financial liabilities

	2017	2016
	Sterling	Sterling
Currency:		
Weighted average interest rate (%):	12.0%	12.0%
Weighted average period for which rate is fixed (years):	22.0	22.0

EQUITIX CAMBRIDGESHIRE LIMITED

Notes to the financial statements for the year ended 31 December 2017 (continued)

10 FINANCIAL INSTRUMENTS (CONTINUED)

Borrowing facilities

The Company has various undrawn committed borrowing facilities. The facilities available at 31 December 2017 in respect of which all conditions precedent had been met were as follows:

	2017	2016
	£'000	£'000
Expiring in one year or less	5	5
Expiring in more than one year but not more than two years	5	5
Expiring in more than two years but less than five years	20	20
Expiring in more than five years	354	354
	384	384

11 CALLED UP SHARE CAPITAL

Issued and unpaid:

1 Ordinary share at nil

2017	2016
£'000	£'000

- -

12 TRANSACTIONS WITH RELATED PARTIES

<u>Profit and loss account transactions</u>	Interest receivable	Interest payable	Cost of sales	Other income	Turnover
Party	2017 £'000	2017 £'000	2017 £'000	2017 £'000	2017 £'000
Equitix Education (Cambridgeshire) Limited	-	-	-	-	-
Equitix Education Limited	8	(36)	-	-	-
Cambridgeshire Learning and Community Partnerships Ltd	36	(8)	-	-	-

<u>Profit and loss account transactions</u>	Interest receivable	Interest payable	Cost of sales	Other income	Turnover
Party	2016 £'000	2016 £'000	2016 £'000	2016 £'000	2016 £'000
Equitix Education (Cambridgeshire) Limited	-	-	-	-	-
Equitix Education Limited	6	(37)	-	-	-
Cambridgeshire Learning and Community Partnerships Ltd	37	(6)	-	-	-

Interest receivable from Cambridgeshire Learning and Community Partnerships Ltd represents interest on a subordinated loan arrangement as disclosed in note 8.

Interest receivable from Equitix Education Ltd represents interest on an upstream loan arrangement as disclosed in note 8.

<u>Balance sheet items</u>	Debtors	Creditors
Party	2017 £'000	2017 £'000
Equitix Education Limited	261	(350)
Cambridgeshire Learning and Community Partnerships Ltd	345	(261)

<u>Balance sheet items</u>	Debtors	Creditors
Party	2016 £'000	2016 £'000
Equitix Education Limited	253	(317)
Cambridgeshire Learning and Community Partnerships Ltd	309	(253)

Included within debtors with Equitix Education (Cambridgeshire) Limited are outstanding amounts relating to business administration functions provided under a management services agreement and amounts relating to recharged independent

Notes to the financial statements for the year ended 31 December 2017 (continued)

13 ULTIMATE PARENT

Equitix Cambridgeshire Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The Company's immediate parent is Equitix Education Limited, a company incorporated in the United Kingdom under the Companies Act; the Company's ultimate parent is Equitix Fund I LP, a limited partnership registered in England and Wales.

14 SUBSIDIARIES AS AT 31 DECEMBER 2017

Company name	Class and percentage of shares held	Principal activity	Country of incorporation	Registered Address
Cambridgeshire Learning and Community Partnerships Ltd	80% ordinary share capital	Procurement partnership for secondary schools in Cambridgeshire.	UK	10-11 Charterhouse Square, London, EC1M 6EH
Equitix Education (Cambridgeshire) Holdings Ltd*	8% ordinary share capital	Intermediate holding company	UK	Welken House, 10-11 Charterhouse Square, London, EC1M 6EH
Equitix Education (Cambridgeshire) Ltd*	8% ordinary share capital	Develops secondary schools under the BSF PFI programme.	UK	Welken House, 10-11 Charterhouse Square, London, EC1M 6EH

* denotes those investments indirectly held.