Company Registration No. 07028475

S&W TLP (PSP TWO) LIMITED

Directors' Report and Financial Statements

Year ended 31 March 2015

S&W TLP (PSP TWO) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS 2015

CONTENTS

S&W TLP (PSP TWO) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R Driver
M Holden

REGISTERED OFFICE

12 Charles II Street
London
SW1Y 4QU

GROUP BANKERS

Nationwide Building Society
Kings Park Road
Moulton Park
Northampton
NN3 6NW

HSBC
City of London Branch
60 Queen Victoria Street
London
EC4N 4TR

AUDITOR

Baker Tilly UK Audit LLP
2 Whitehall Quay
Leeds
LS1 4HG

DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the year ending 31 March 2015.

PRINCIPAL ACTIVITY

The Company is a private sector partnership created as part of the Salford and Wigan Building Schools for the Future project and has an investment in S&W TLP (Hold Co One) Limited. The principal activity of that subsidiary is the provision of construction services, either directly or indirectly (through investments in subsidiary companies) under the Building Schools for the Future initiative.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company continues to operate as an investment company to S&W TLP (Hold Co One) Limited and did not trade, and as such has no profit or loss for the current year. The Directors anticipate that the Company will continue to operate as such in future.

The results for the Group for the year are in line with budget. The Directors anticipate that the Group will perform in line with budget in the coming financial year.

DIVIDENDS

The Directors do not recommend the payment of a dividend. (2014: £nil)

KEY PERFORMANCE INDICATORS (KPIs)

Given the straightforward nature of the Group's business, the Company's directors are of the opinion that no other KPIs are necessary for an understanding of the development, performance or position of the Group, other than monitoring performance against budget and stage of development of the build.

GOING CONCERN

The Group's business activities and principal risks and uncertainties are detailed elsewhere in the Directors' Report. The Directors have reviewed the budget for the foreseeable future, and have considered the projected cash flows based on the contractual receipts and payments of cash. They project that the loan covenant terms will be met for the foreseeable future. Having considered the risks and uncertainties of the business, their projections for the future performance of the Group, and the current uncertain economic environment, the Directors have a reasonable expectation that the Group 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.

DIRECTORS

The directors who served during the year, and to the date of signing, were as follows:

- T J Hesketh — resigned 13 April 2015
- S Hockaday — resigned 11 March 2015
- A Travis — resigned 11 March 2015
- J Barber — resigned 13 April 2015
- R Driver — appointed 11 March 2015
- M Holden — appointed 11 March 2015

EVENTS SINCE THE YEAR END

Information relating to events since the year end is given in the notes to the financial statements.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)

FINANCIAL RISK MANAGEMENT

The financial risk management policy of the Group is designed to identify and manage risk at the earliest possible point. The Group keeps a detailed risk register which is formally reviewed by the Board on a quarterly basis.

The Group does not undertake financial instrument transactions that are speculative or unrelated to the Group's trading activities. Board approval is required for the use of any new financial instrument, and the Group's ability to enter into any new transaction is constrained by covenants in its existing funding agreement.

The Group's exposure to and management of price risk, credit risk, liquidity risk and interest rate cash flow risk is detailed below:

Price risk

The Group's price risk is managed through the twenty five year service delivery element of the project agreement with Salford City Council which provides for payments that are fixed subject to performance and inflation indexation and through sub-contracts with suppliers that largely mirror the provisions of the project agreement with Salford City Council.

Credit risk

Cash flows are generated from the availability of the schools and from the maintenance provided to Salford City Council. Cash flows are secured under a long-term contract with Salford City Council, whose liabilities are effectively underwritten by the Government.

Liquidity risk

The Group's liquidity risk is principally managed through financing the Group by means of long-term and short-term borrowings which are tailored to match expected cost and revenues arising from the contract under the Private Finance Initiative. In addition, the Group has access to a debt service reserve facility which provides short-term liquidity against future debt service requirements.

Interest rate cash flow risk

The Group has interest bearing assets and interest bearing liabilities. Interest bearing assets include only cash balances which earn interest at variable rates. Interest bearing liabilities include term loans and loan notes. Loan notes bear interest at a fixed rate. Term loans bear interest at variable rates and so the Group also enters into interest rate swaps, the purpose of which is to manage the interest rate risk arising from these borrowings.

USE OF FINANCIAL INSTRUMENTS

Information on the Group's use of financial instruments is described in Note 15.

AUDITOR

Baker Tilly UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board and signed on its behalf by:

M Holden Director Date: 30 July 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

UK company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group 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 group and company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the group and parent company 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 group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF S&W TLP (PSP TWO) LIMITED

We have audited the group and parent company financial statements (the "financial statements") on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at http://www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2015 and of the group's 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 the accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Baker Tilly UK Audit LLP

Andrew Allchin (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
2 Whitehall Quay
Leeds. LS1 4HG
Date 28 August 2015

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2015

	Note	2015 £	2014 £
TURNOVER		1,967,775	1,888,909
Cost of sales		(1,455,553)	(1,392,380)
GROSS PROFIT		512,222	496,529
Administrative expenses		(357,299)	(358,036)
OPERATING PROFIT		154,923	138,493
Interest receivable and similar income	2	4,762,590	4,844,776
Interest payable and similar charges	3	(4,795,948)	(4,912,918)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	121,565	70,351
Taxation on profit on ordinary activities	5	(24,313)	(14,071)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	11	97,252	56,280
Equity Minority Interests	16	(27,230)	(15,759)
PROFIT FOR THE FINANCIAL YEAR	12	70,022	40,521

All results above relate entirely to continuing operations.

There are no gains or losses for the current or preceeding year other than the losses as stated above. Accordingly no statement of total recognised gains and losses has been presented.

BALANCE SHEETS
as at 31 March 2015

	Note	Group 2015 £	Company 2015 £	Group 2014 £	Company 2014 £
FIXED ASSETS					
Investment in subsidiary undertakings	6	-	5,117,790	-	5,219,064
CURRENT ASSETS					
Debtors: due within one year	7	1,372,800	305,795	1,235,921	311,855
Debtors: due after more than one year	7	61,171,514	-	62,385,802	-
Cash at bank and in hand		1,984,435	-	1,457,156	-
		64,528,749	305,795	65,078,879	311,855
CREDITORS: amounts falling due within one year	8	(4,826,804)	(421,908)	(3,912,134)	(466,286)
NET CURRENT ASSETS/(LIABILITIES)		59,701,945	(116,113)	61,166,745	(154,431)
TOTAL ASSETS LESS CURRENT LIABILITIES		59,701,945	5,001,677	61,166,745	5,064,633
CREDITORS: amounts falling due after more than one year	9	(59,853,334)	(4,994,477)	(61,415,386)	(5,057,433)
NET (LIABILITIES)/ASSETS		(151,389)	7,200	(248,641)	7,200
CAPITAL AND RESERVES					
Called up share capital	10	7,200	7,200	7,200	7,200
Profit and loss account	11	(116,200)	-	(186,222)	-
SHAREHOLDERS' (DEFICIT)/FUNDS	12	(109,000)	7,200	(179,022)	7,200
Minority Interests	16	(42,389)	-	(69,619)	-
TOTAL CAPITAL EMPLOYED		(151,389)	7,200	(248,641)	7,200

These financial statements were approved and authorised for issue by the Board of Directors on 30 July 2015 and were signed on its behalf by:

M Holden

Director

30 July 2015

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2015

1. ACCOUNTING POLICIES

A summary of the principal accounting policies, which have been applied consistently throughout the current year, is set out below.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom.

Basis of consolidation

The Group financial statements consolidate the statements of the Company and its subsidiary undertaking drawn up to 31 March each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

Going concern

The Group's business activities and principal risks and uncertainties are detailed in the Directors' Report. The Directors have reviewed the budget for the foreseeable future, and have considered the projected cash flows based on the contractual receipts and payments of cash. They project that the loan covenant terms will be met for the foreseeable future. Having considered the risks and uncertainties of the business, their projections for the future performance of the Group, and the current uncertain economic environment, the Directors have a reasonable expectation that the Company and the Group have 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.

Due to the nature of the PFI contract, during the construction period the Group may incur minor losses, giving rise to net liabilities. However, during the operational concession the Group will generate positive reserves.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Turnover and long term contracts

The project agreement with Salford City Council provides for the charging of a unitary fee from the date the schools are made available until the end of the service delivery agreement. The unitary fee is fixed subject to performance and inflation indexation.

During the construction phase, construction costs incurred are recorded as cost of sales. Turnover is also recognised in relation to the construction work performed but no profit on construction is recognised. The turnover recognised is included within the 'financial asset' described below. If construction costs are forecast to exceed amounts which can be subsequently recovered, a loss is recognised as soon as this is foreseen.

Amounts recoverable on long-term contracts, which are included in debtors, represent future amounts due over the life of the service delivery contract for the fair value of the construction work on the schools. This financial asset comprises the construction turnover recognised up to the balance sheet date, other directly attributable costs, interest on loan facilities used to finance the construction less amounts collected to date.

Interest is recorded on the financial asset at a constant rate based on the carrying amount.

The unitary fee charged is split between services provided (which is recorded as turnover), collection of the financial asset, payment of interest on the financial asset and deferred income.

Turnover in relation to both construction and services provided is recorded, net of VAT and arises entirely in the UK.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 March 2015

1. ACCOUNTING POLICIES (CONTINUED)

Cash Flow Statement

The Group meets the size criteria for a small group set by the Companies Act 2006 and, therefore, in accordance with FRS 1, 'Cash flow statements', it has not prepared a cash flow statement.

Capitalisation of costs

Interest arising on loans taken out to fund the construction of an asset are capitalised within amounts recoverable on long-term contracts until the construction is completed and the asset is handed over to the customer. In addition overheads, banking facility commitment fees and professional fees incurred in the period from financial close to the end of construction period are also capitalised within amounts recoverable on long-term contracts.

Fixed asset investments

Investments are shown at cost less any provision for diminution in value.

Capital instruments

Share capital is included in shareholders' funds. Debt instruments, which contain an obligation to repay, are classified as liabilities. In accordance with Financial Reporting Standard 4 – Capital Instruments, the costs associated with the issue of debt instruments are charged to the Profit and Loss account over the life of the instruments, at a constant rate based on the carrying amount.

Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to interest rate fluctuations. The Group does not hold or issue derivative financial instruments for speculative purposes. Details of the Group's interest rate swap contracts are given in note 15.

Dividends

Dividends to the Company's ordinary shareholders are recognised when the amount has been agreed by the Board of Directors and the Group's senior debt provider and when they have been paid.

2. INTEREST RECEIVABLE AND SIMILAR INCOME

	2015	2014
	£	£
Bank interest receivable	4,379	4,839
Interest on finance debtor	4,758,211	4,839,937
	4,762,590	4,844,776

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£
Bank interest payable	3,865,804	3,964,332
Other interest payable	856,065	872,674
Amortisation of debt issue costs	74,079	75,912
	4,795,948	4,912,918

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 March 2015

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Pass through turnover and costs

In addition to the amounts disclosed as turnover above, the Group acts as the invoicing conduit for a number of transactions where the Group bears no risk or reward and the transactions are "pass through costs" where the Group generates neither profit nor loss. These items have been excluded from the turnover stated above as the directors consider this reflects the substance of the transactions. The total value of these pass through costs in the year were £839,248 (2014:£366,352).

Employee costs

The Group had no employees in the year other than the directors.

Directors' emoluments

Directors are paid by other associated undertakings, allocation to this company is £Nil (2014: £Nil).

Auditor's remuneration

	Group 2015 £	Company 2015 £	Group 2014 £	Company 2014 £
Auditor's remuneration				
- Audit services	9,531	1,682	9,371	1,654
- Tax services	5,606	561	5,513	551

Auditor's remuneration is borne by S&W TLP Education Partnership Limited on behalf of the Group under the terms of the management services agreement. For the audit, this amounted to £9,531 (2014: £9,371) payable to Baker Tilly UK Audit LLP and £5,606 (2014: £5,513) for tax services payable to Baker Tilly Tax and Accounting Limited. These amounts (included within the Management Services Agreement fee) have been capitalised within amounts recoverable on long term contracts until service commencement (September 2011).

5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of tax charge in the year

	2015 £	2014 £
Current tax		
UK corporation tax on profits in the year	876	968
Total current tax	876	968
Deferred tax		
Origination and reversal of timing differences	23,437	13,103
Tax on profit on ordinary activities	24,313	14,071

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 March 2015

5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

(b) Factors affecting tax charges for the year

The tax assessed for the year is in line with (2014: in line with) the standard (2014: standard) rate of corporation tax in the UK of 20% (2014: 20%). The differences are explained below.

	2015 £	2014 £
Profit on ordinary activities before taxation	121,565	70,351
Profit on ordinary activities at the standard (2014: standard) rate of corporation tax in the UK of 21% (2014: 20%)	24,313	14,071
Effect of:		
- Losses utilised	(23,437)	(13,103)
Current tax charge for the year	876	968

6. FIXED ASSET INVESTMENTS

Company	**Shares in participating interests** £	**Loans to undertakings in which the company has a participating interest** £	**Total** £
Cost			
As at 1 April 2014	7,200	5,211,864	5,219,064
Additions/(repayments)	-	(101,274)	(101,274)
As at 31 March 2015	7,200	5,110,590	5,117,790

Shares in participating interests

The Company has a 72% direct shareholding in S&W TLP (Hold Co One) Limited, which has a 100% subsidiary involved in the design, construction, financing, operation and maintenance of two secondary schools.

Loans to undertakings in which the Company has a participating interest

The Company holds 72% of the loan notes of S&W TLP (Project Co One) Limited.

These loan notes carry a coupon of 12% and interest is payable semi-annually in arrears on 31 March and 30 September.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 March 2015

7. DEBTORS

	Group 2015 £	Company 2015 £	Group 2014 £	Company 2014 £
Amounts recoverable on long-term contracts:				
- due within one year	1,212,874	-	1,125,463	-
Trade debtors	14,504	-	7,499	-
Prepayments and accrued income	104,817	305,795	38,917	311,855
Deferred tax	40,605	-	64,042	-
Debtors due within one year	1,372,800	305,795	1,235,921	311,855
Amounts recoverable on long-term contracts:				
- due after more than one year	61,171,514	-	62,385,802	-
Total debtors	62,544,314	305,795	63,621,723	311,855

Interest payable was being capitalised until the practical completion date. Included in amounts recoverable on long-term contracts is interest totalling £5,108,521 (2014: £5,108,521).

Movement on the deferred tax asset, which relates entirely to losses, is as follows:

	£
At 1 April 2014	64,042
Profit and loss account (note 5)	(23,437)
At 31 March 2015	40,605

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2015 £	Company 2015 £	Group 2014 £	Company 2014 £
Other loans (note 9)	161,268	116,113	214,487	154,431
Bank loans (note 9)	1,474,613	-	1,386,121	-
Trade creditors	90,214	-	179,932	-
Corporation tax	876	-	968	-
Other creditors	301,245	-	357,743	-
Accruals and deferred income	2,798,588	305,795	1,772,883	311,855
	4,826,804	421,908	3,912,134	466,286

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 March 2015

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2015 £	Company 2015 £	Group 2014 £	Company 2014 £
Other loans	6,936,773	4,994,477	7,024,212	5,057,433
Bank loans	52,916,561	-	54,391,174	-
	59,853,334	4,994,477	61,415,386	5,057,433

In accordance with Financial Reporting Standards 4 – Capital Instruments, issue costs of £938,678 (2014: £1,012,757) have been set off against the total loan drawdowns. The amount set off against loans falling due within one year is £72,130 (2014: £74,079) and after more than one year is £866,548 (2014: £938,678).

Maturity of debt

The loans are repayable as follows:

	Group 2015 £	Company 2015 £	Group 2014 £	Company 2014 £
Due within one year	1,635,881	116,113	1,600,608	154,431
Due between one and two years	1,621,287	51,694	1,562,051	62,956
Due between two and five years	5,043,785	131,294	4,969,348	145,692
Due in more than five years	53,188,262	4,811,489	54,883,987	4,848,785
	61,489,215	5,110,590	63,015,994	5,211,864

Bank loans

The bank loans comprise senior debt.

The senior debt consists of a loan that is repayable by August 2035 with principal repayments on the loan which commenced in March 2012. The amount of the senior debt loan drawdown as at 31 March 2015 is £55,329,852 (2014: £56,790,052), with £1,546,743 (2014: £1,460,052) falling due within one year and £53,783,109 (2014: £55,329,852) falling due after more than one year. The interest rate on this loan has been fixed at 6.855% per annum (half through the use of a swap and half as a fixed rate loan) until September 2021.

The bank loans are secured by floating charges over all the assets, rights and undertakings of the Company.

Other loans

Other loans comprise Subordinated Unsecured Loan Notes.

The Subordinated Unsecured Loan Notes carry a coupon of 12% and interest is payable semi-annually in arrears on 31 March and 30 September.

Providing certain defaults are not made by the Company, the loan notes are due for repayment on a semi-annual basis on 31 March and 30 September.

The terms of the loan notes state that payments of interest and repayments of the loan principal are only to be made if sufficient funds are available to avoid a breach of covenants in the Company's banking facilities and whilst the Company is not in the process of liquidation or other such winding-up proceedings. No such covenant breaches have occurred during the current or prior year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 March 2015

10. SHARE CAPITAL

	Group and Company	
	2015	**2014**
	£	**£**
Allotted, called up and fully paid		
7,200 ordinary shares of £1 each, issued at par	7,200	7,200

11. PROFIT AND LOSS ACCOUNT

	Group	Company
	£	£
At 1 April 2014	(186,222)	-
Profit for the financial year	70,022	-
At 31 March 2015	(116,200)	-

The profit for the financial year dealt with in the financial statements of the parent company was £Nil. As permitted by section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent company.

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' (DEFICIT)/FUNDS

	Goup 2015	Company 2015	Group 2014	Company 2014
	£	£	£	£
Opening shareholders' (deficit)/funds	(179,022)	7,200	(219,543)	7,200
Profit for the financial year	70,022	-	40,521	-
Closing shareholders' (deficit)/funds	(109,000)	7,200	(179,022)	7,200

13. FINANCIAL COMMITMENTS

The Group is committed to the provision of design and construction services. The total value contracted but not provided for is £Nil (2014: £Nil).

14. CONTROLLING PARTY

Ownership of the Company is shared equally between HOCHTIEF PPP Solutions (UK) Limited which is registered in England and Wales and Laing O'Rourke PLC, which is registered in England and Wales.

Accordingly, there is no overall parent company and no ultimate controlling party.

During the year, on 11th March 2015, Laing O'Rourke plc sold their interest in S&W TLP (PSP One) Limited to Infrastructure Investments Holdings Limited. Please refer to Post Balance Sheet Events for subsequent changes to the ultimate controlling party.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 March 2015

15. DERIVATIVES NOT INCLUDED AT FAIR VALUE

The fair values of the Group's derivatives are as follows:

	Principal 2015 £	Fair Value 2015 £	Principal 2014 £	Fair Value 2014 £
Interest rate swap contracts	27,664,926	8,317,468	28,395,026	4,256,730

The Group uses derivatives to manage the exposure to interest rate movements on its senior and equity bridge debt. The fair values are based on market values of equivalent instruments at the balance sheet date.

The interest rate swap contracts have fixed interest receipts at an average rate of 4.445% over the life of the swap contracts, which terminate on 31 August 2035, and have floating interest payments at LIBOR.

16. MINORITY INTERESTS

	2015 £
At 1 April 2014	(69,619)
Profit on ordinary activities after taxation	27,230
At 31 March 2015	(42,389)

17. POST BALANCE SHEET EVENT

On 14th April 2015, HOCHTIEF PPP Solutions (UK) Limited completed the sale of their ordinary shares in the Company to Infrastructure Investments Holdings Limited and their loan notes in the Company to Infrastructure Investments General Partner Limited. Following this date, the ultimate parent undertaking of the Company is Infrastructure Investments Holdings Limited (100% shareholding).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 March 2015

18. RELATED PARTY TRANSACTIONS

		Transaction amount for the year ended 31 March 2015 £	Amount due (to) / from party as at 31 March 2015 £
HOCHTIEF PPP Solutions (UK) Limited (shareholder)			
- Interest on loan	Accruals and deferred income	(308,184)	-
- Subordinated loan	Other loans	(50,637)	(2,555,295)
S&W TLP Education Partnership Limited (shareholder of subsidiary)			
- Management Services Fees	Trade Creditors	(148,310)	-
- Interest on loan	Accruals and deferred income	(85,606)	-
- Subordinated loan	Other loans	(14,066)	(709,804)
Building Schools for the Future Investments LLP			
- Interest on loan	Accruals and deferred income	(77,046)	-
- Subordinated loan	Other loans	(14,066)	(638,824)
Laing O'Rourke Services Limited			
- Interest on loan	Accruals and deferred income	(155,286)	-
- Subordinated loan	Other loans	(25,729)	-
Laing O'Rourke Construction Limited			
- Provision of goods and services		(38,767)	-
Infrastructure Investments Limited Partnership			
- Interest on loan	Accruals and deferred income	(152,897)	-
- Subordinated loan	Other loans	-	(2,555,295)
Salford City Council			
- Interest on loan	Accruals and deferred income	(77,046)	-
- Subordinated loan	Other loans	(14,066)	(638,824)

		Transaction amount for the year ended 31 March 2014 £	Amount due (to) / from party as at 31 March 2014 £
HOCHTIEF PPP Solutions (UK) Limited (shareholder)			
- Interest on loan	Accruals and deferred income	(314,162)	-
- Subordinated loan	Other loans	(23,342)	(2,630,044)
S&W TLP Education Partnership Limited (shareholder of subsidiary)			
- Management Services Fees	Trade Creditors	(144,693)	(14,469)
- Interest on loan	Accruals and deferred income	(87,267)	-
- Subordinated loan	Other loans	(6,484)	(730,568)
Building Schools for the Future Investments LLP			
- Interest on loan	Accruals and deferred income	(78,541)	-
- Subordinated loan	Other loans	(5,835)	(657,511)
Laing O'Rourke Services Limited			
- Interest on loan	Accruals and deferred income	(314,162)	-
- Subordinated loan	Other loans	(23,342)	(2,630,044)
Salford City Council			
- Interest on loan	Accruals and deferred income	(78,541)	-
- Subordinated loan	Other loans	(5,835)	(657,511)