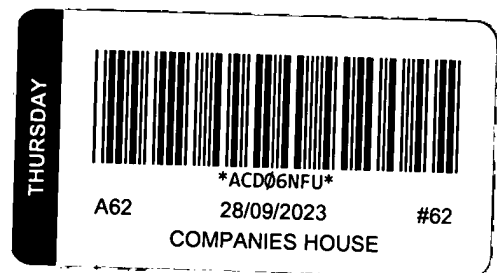


Company registration number 09514994 (England and Wales)

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



YORKSHIRE LEARNING PARTNERSHIP PROJECT CO LIMITED

COMPANY INFORMATION

Directors	Jayesh Doshi Joanne Fyfe Andrew Duck
Secretary	John Askham
Company number	09514994
Registered office	c/o EMS Ltd 2nd Floor Toronto Square Toronto Street Leeds West Yorkshire LS1 2HJ
Auditor	Goodman Jones LLP 29-30 Fitzroy Square Fitzrovia London W1T 6LQ

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

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YORKSHIRE LEARNING PARTNERSHIP PROJECT CO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

Fair review of the business

The principal activity of the Company is the design, construction, financing, operation and maintenance of seven secondary schools in the Bradford, Kirklees and Harrogate areas of Yorkshire, under the Government's PF2 scheme Priority Schools Building Programme (PSBP).

Financial close was achieved on 26 April 2016. The construction phase ended with the final school reaching service availability on 11 April 2018, whereupon the Company commenced the operational phase. The Company will continue to provide operational services to seven schools; Beckfoot Upper Heaton, Harrogate High School, Dixons Cottingley Academy, Whitcliffe Mount School, All Saints Catholic College, Carlton Bolling and Beckfoot Oakbank School until the service delivery concession period finishes in August 2042.

A summary of the results is shown on the Directors' Report on page 3. The Directors are satisfied with the financial results of the Company and believe them to be in line with the Company's contractual arrangements.

Principal risks and uncertainties

The Company's exposure to Inflationary risk is primarily associated with the ongoing maintenance cost base and is mitigated by having index linked income streams with the Department for Education.

The Company's exposure to interest rate risk is mitigated by fixed interest rate loan agreements with the senior creditor, Aggregator Vehicle Plc.

During the operational phase of the contract the Company is responsible for the daily operational and maintenance obligations of the schools. Failure to meet these obligations result in performance deductions from the unitary charge received from the Department for Education. This risk is mitigated by a back-to-back contract with the facilities management service provider with any performance deductions being passed through under that contract.

At the beginning of the PF2 contract, the Company negotiated debt facilities with funders and shareholders to ensure it has sufficient funds over the life of the PFI concession. Liquidity risk is monitored via biannual operating model submissions approved by both the board and lenders.

The Company's principal assets are cash, financial assets and trade receivables. The Company's credit risk is primarily attributable to its trade receivables which are with one counterparty, the Department for Education, although the Directors perceive that this risk is minimal as the obligations of the Department for Education have been underwritten by the Secretary of State for Education under the Project Agreement.

Key performance indicators

The Company has financial and non-financial key performance indicators which impact its results for the year as well as future performance.

The key performance indicators of the Company are:

Progress against the operating model. Within the operational phase of the concession the Company produces an operating model to forecast the income and expenditure over the entire concession period. This is produced at each calculation date, every September and March, then reviewed and approved by the Aggregator Vehicle. Progress is tracked against this model and the Company continues to perform in line with expectations,

Operation targets. During the operational phase of the concession the Company must meet contractual service performance targets or be subject to deductions against the Unitary Charge. Service levels are recorded by the facilities management provider and performance deductions are discussed and agreed with the Authority on a monthly basis. Service levels are in line with expectations.

At 31 March 2023 performance against these measures was satisfactory.

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

On behalf of the board

J S Fyfe
.....

Joanne Fyfe
Director

Date: 27-09-23
.....

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the company continued to be that of design, construction, financing, operation and maintenance of seven secondary schools in Yorkshire under the Government's PF2 scheme Priority Schools Building Programme (PSBP).

The service delivery concession period is due to finish in August 2042 and the directors are confident that the company will continue to provide operational services until that date.

Results and dividends

The profit for the year, after taxation, was £448,000 (2022: £223,000).

The Company paid a dividend of £441,000 during the year (2022: nil)

Directors

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

Jayesh Doshi
Joanne Fyfe
Andrew Duck

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor

The auditor, Goodman Jones LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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;
- 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.

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

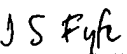
Statement of disclosure to auditor

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.

Small companies exemption

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

On behalf of the board



Joanne Fyfe

Director

Date: 27-09-23

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

Opinion

We have audited the financial statements of Yorkshire Learning Partnership Projectco Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 industry, we identified that the principal risks of noncompliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, 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 and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried out. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

Goodman Jones LLP

Paul Bailey
Senior Statutory Auditor
For and on behalf of Goodman Jones LLP

Date: 27-09-23

Chartered Accountants
Statutory Auditor

29-30 Fitzroy Square
Fitzrovia
London
W1T 6LQ

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Notes	£'000	as restated £'000
Turnover		1,859	1,661
Cost of sales		(1,846)	(1,601)
Gross profit		13	60
Administrative expenses		(10)	(8)
Operating profit		3	52
Interest receivable and similar income	6	5,035	5,054
Interest payable and similar expenses	7	(4,485)	(4,831)
Profit before taxation		553	275
Tax on profit	8	(105)	(52)
Profit for the financial year		448	223

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

In the prior year Financial Statements, Audit Fees of £8,000 were recorded within Cost of Sales. This cost should have been recorded as Administrative Expenses and consequently the comparatives have been restated to amend this. There has been no impact to the result for the year or the net asset position previously reported.

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022 as restated	
	Notes	£'000	£'000	£'000	£'000
Current assets					
Debtors falling due after more than one year	11	103,184		107,621	
Debtors falling due within one year	11	340		149	
Cash at bank and in hand		5,539		5,523	
		109,063		113,293	
Creditors: amounts falling due within one year	12	(6,076)		(5,519)	
Net current assets			102,987		107,774
Creditors: amounts falling due after more than one year	13		(100,464)		(105,258)
Net assets			2,523		2,516
Capital and reserves					
Called up share capital	15		10		10
Profit and loss reserves			2,513		2,506
Total equity			2,523		2,516

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27-09-23 and are signed on its behalf by:

J S Fyfe

 Joanne Fyfe
 Director

Company Registration No. 09514994

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Share capital £'000	Profit and loss reserves £'000	Total £'000
As restated for the period ended 31 March 2022:				
Balance at 1 April 2021		10	2,283	2,293
Year ended 31 March 2022:				
Profit and total comprehensive income for the year		-	223	223
Balance at 31 March 2022		10	2,506	2,516
Year ended 31 March 2023:				
Profit and total comprehensive income for the year		-	448	448
Dividends	9	-	(441)	(441)
Balance at 31 March 2023		10	2,513	2,523

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Yorkshire Learning Partnership Projectco Limited is a private company limited by shares incorporated in England and Wales. The registered office is c/o EMS Ltd, 2nd Floor Toronto Square, Toronto Street, Leeds, West Yorkshire, LS1 2HJ.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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. The principal accounting policies adopted are set out below.

1.2 Going concern

The company has net assets of £2,523,000 (2022: £2,516,000), net current assets of £102,987,000 (2022: £107,774,000), including cash of £5,539,000 (2022: £5,523,000), at the year end.

The directors have reviewed the future liquidity requirements and have considered the cash flow forecasts of the company. Based on this review and the future business prospects of the company, despite the current economic conditions the directors believe the company will be able to meet its liabilities as they fall due.

Having regard to the above and 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, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

a) Public to private concession arrangements

A substantial portion of the company's assets are used within the framework of concession contracts granted by public sector customers ('grantors'). Under these contracts, the company constructs Secondary Schools that are leased to the Department for Education on a 25 year lease.

To fall within the scope of section 34 of FRS 102, a contract must satisfy the following two criteria:

- the grantor controls or regulates what services the operator must provide using the infrastructure to whom, and at what price; and
- the grantor controls, through ownership, beneficial entitlement or otherwise, any significant residual interest in the infrastructure at the end of the term of the arrangement.

Pursuant to section 34 of FRS 102, such infrastructure is not recognised in assets of the operator as property, plant and equipment but as financial asset ('financial asset model').

b) Financial asset model

The financial asset model applies when the operator has an unconditional right to receive cash or another financial asset from the grantor.

In the case of concession services, the operator has such an unconditional right, if the grantor contractually guarantees the payment of:

- Amounts specified or determined in the contract or
- The shortfall, if any, between amounts received from users of the public service and amounts specified or determined in the contract.

Financial assets resulting from the application of section 34 of FRS 102 are recorded in the balance sheet under the heading financial asset and measured at amortised cost.

Pursuant to section 23 of FRS 102, revenue associated with this financial model comprises of service remuneration which relates to lifecycle maintenance and facilities income and ad hoc property related services income.

1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 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.

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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.

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 value cannot be measured reliably are measured at cost less impairment.

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.

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.

1.6 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 become legally payable. There is no requirement to pay dividends unless approved by the shareholders by way of written resolution where there is sufficient cash to meet current liabilities, and without detriment to senior debt covenants, if applicable.

1.7 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.

YORKSHIRE LEARNING PARTNERSHIP PROJECT CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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.

1.8 Finance Costs

Finance Costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2 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.

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.

Service Concession Arrangements

The concession arrangements undertaken by the company are considered to fall within the scope of sector 34 of FRS 102 "Service Concession Arrangements", as described in the turnover note. This judgement has been based on consideration of the nature and terms of the agreements and the contractual reversion of the ownership of the assets to the grantor at the end of the concession period.

The Financial Asset Interest is recalculated on 6 monthly basis to the figure that will lead to the full amortisation of the Financial Asset at the Concession End Date. The interest rate is currently 4.76% (2022: 4.67%).

The Service Margin was fixed at 10% in the contract documentation and is not a source of estimation uncertainty for the Company.

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Auditor's remuneration

	2023 £'000	2022 £'000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	10	8

4 Employees

The average monthly number of persons (not including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	-	-

5 Directors' remuneration

The directors did not receive any remuneration from the company for their services to the company during the year or the previous year. The directors are remunerated by the shareholding companies for their services to the group as a whole. It is not practicable to apportion their remuneration for their services to the company.

6 Interest receivable and similar income

	2023 £'000	2022 £'000
Interest income		
Interest on bank deposits	72	-
Other interest income	4,963	5,054
Total income	5,035	5,054

7 Interest payable and similar expenses

	2023 £'000	2022 £'000
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	3,533	3,832
Other interest on financial liabilities	952	999
	4,485	4,831

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Taxation

	2023 £'000	2022 £'000
Current tax		
UK corporation tax on profits for the current period	105	52

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:

	2023 £'000	2022 £'000
Profit before taxation	553	275
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	105	52
Taxation charge in the financial statements	105	52

9 Dividends

	2023 Per share £	2022 Per share £	2023 Total £'000	2022 Total £'000
ordinary				
Interim paid	44.10	-	441	-

10 Financial instruments

	2023 £'000	2022 £'000
Carrying amount of financial assets		
Instruments measured at amortised cost	108,866	113,171
Carrying amount of financial liabilities		
Measured at amortised cost		
- Non-derivatives that are not part of a trading portfolio	(107,379)	(111,795)

11 Debtors

	2023 £'000	2022 £'000
Amounts falling due within one year:		
Trade debtors	143	27
Prepayments and accrued income	197	122
	340	149

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Debtors		(Continued)	
		2023 £'000	2022 £'000
Amounts falling due after more than one year:			
Gross amounts owed by contract customers		103,184	107,621
		<u>103,184</u>	<u>107,621</u>
Total debtors		<u>103,524</u>	<u>107,770</u>
12 Creditors: amounts falling due within one year			
		2023 £'000	2022 £'000
Bank loans	14	4,497	4,405
Other borrowings	14	463	267
Trade creditors		339	167
Corporation tax		121	67
Other taxation and social security		480	479
Accruals and deferred income		176	134
		<u>6,076</u>	<u>5,519</u>
13 Creditors: amounts falling due after more than one year			
	Notes	2023 £'000	2022 £'000
Bank loans and overdrafts	14	92,703	97,200
Other borrowings	14	9,221	9,667
Unamortised loan costs		(1,460)	(1,609)
		<u>100,464</u>	<u>105,258</u>
Amounts included above which fall due after five years are as follows:			
Payable by instalments		<u>81,911</u>	<u>87,212</u>

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Loans and overdrafts

	2023 £'000	2022 £'000
Bank loans	97,200	101,605
Loans from group undertakings and related parties	9,684	9,934
	<u>106,884</u>	<u>111,539</u>
Payable within one year	4,960	4,672
Payable after one year	<u>101,924</u>	<u>106,867</u>

As at 31 March 2023 £15,817,000 of issue costs have been incurred by the project of which £14,357,000 (2022: £14,208,000) have been amortised to date.

Bank Loans

On 26 April 2016 Yorkshire Learning Partnership Projectco Limited entered into a loan facility agreement with Aggregator Vehicle Plc of £117,984,629 at a fixed interest rate of 3.392% due to mature on 25 August 2041. As at 31 March 2023 the full £117,984,629 had been drawn down and subsequently £20,784,000 (2022: £16,380,000) of capital repayments made.

The loan is an instalment debt repayable by six-monthly instalments, the first instalment was made in September 2018. The loan is secured by the first fixed charge over all of the assets, rights and undertakings of the Company.

Other loans

Other loans relate to an on-loan of subordinated debt of £10,734,492 from Yorkshire Learning Partnership Holdco Limited repayable in six-monthly repayments from March 2019 to September 2041 with a fixed rate of interest of 9.4%. During the year £251,000 (2022: £249,000) of capital repayments were made.

15 Called up share capital

	2023 Number	2022 Number	2023 £'000	2022 £'000
Ordinary share capital Issued and fully paid ordinary of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10</u>	<u>10</u>

16 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

YORKSHIRE LEARNING PARTNERSHIP PROJECTCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Related party transactions

(Continued)

Payments made to Equitix Infrastructure 4 Limited and Subsidiaries:

- Subordinated debt principal: £50,000 (2022: £50,000)
- Subordinated debt interest: £185,000 (2022: £190,000)
- Dividends: £88,000 (2022: Nil)

Payments made to Equitix Infrastructure 6 Limited and Subsidiaries:

- Subordinated debt principal: £176,000 (2022: £174,000)
- Subordinated debt interest: £649,000 (2022: £665,000)
- Dividends: £309,000 (2022: Nil)

Payments made to IUK Investments Limited and Subsidiaries:

- Subordinated debt principal: £25,000 (2022: £25,000)
- Subordinated debt interest: £93,000 (2022: £95,000)
- Dividends: £44,000 (2022: Nil)

Balances payable at 31st March:

- to Equitix Infrastructure 4 Limited and Subsidiaries: £1,933,000 (2022: £1,978,000)
- to Equitix Infrastructure 6 Limited and Subsidiaries: £6,764,000 (2022: £6,921,000)
- to IUK Investments Limited and Subsidiaries: £966,000 (2022: £989,000)

17 Ultimate Controlling Party

The Company is owned by Yorkshire Learning Partnership Holdco Limited, with registered office address of C/o EMS Ltd 2nd Floor Toronto Square, Toronto Street, Leeds, LS1 2HJ.

The immediate parent companies of Yorkshire Learning Partnership HoldCo Limited are IUK Investments Limited (10%) and Yorkshire Learning Partnership PSP Limited (90%), which is in turn owned by Equitix Infrastructure 4 Limited (22.2%) and Equitix Infrastructure 6 Limited (77.8%).

By virtue of the Company being a joint venture between these parties the Directors consider that there is no ultimate controlling party.