

Registered number: 07017267

**INSPIREDSPACES ROCHDALE LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**



---

**INSPIREDSPACES ROCHDALE LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	KJ Edwards (appointed 15 January 2018) KL Flaherty (appointed 25 September 2018) PK Johnstone (appointed 4 July 2018) J McDonagh M Templeton (appointed 7 November 2018) D Wilcock
<b>Registered number</b>	07017267 (England & Wales)
<b>Registered office</b>	3 More London Riverside London SE1 2AQ
<b>Independent auditors</b>	KPMG LLP Chartered Accountants & Statutory Auditor One Snowhill Snow Hill Queensway Birmingham B4 6GH

---

**INSPIREDSAPCES ROCHDALE LIMITED**

---

**CONTENTS**

---

	Page
<b>Directors' report</b>	<b>1 - 2</b>
<b>Independent auditors' report</b>	<b>3 - 5</b>
<b>Statement of comprehensive income</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Notes to the financial statements</b>	<b>8 - 15</b>

---

## INSPIRESPACES ROCHDALE LIMITED

---

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

---

The directors present their report and the financial statements for the year ended 31 December 2018.

#### Directors' responsibilities statement

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 applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 judgments and accounting estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- 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.

#### Directors

The directors who served during the year were:

KJ Edwards (appointed 15 January 2018)  
KL Flaherty (appointed 25 September 2018)  
PK Johnstone (appointed 4 July 2018)  
J McDonagh  
M Templeton (appointed 7 November 2018)  
D Wilcock  
SA Bowness (resigned 22 October 2018)  
AD Clapp (resigned 4 July 2018)  
GJ Devine (resigned 29 August 2018)  
IA Mason (resigned 22 January 2018)

#### Qualifying third party indemnity provisions

The Company has made qualifying third-party indemnity provisions for the benefit of its directors, which were made during the year and remain in force at the date of this report.

---

**INSPIREDSAPES ROCHDALE LIMITED**

---

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**KL Flaherty**  
Director

Date: 27 September 2019

---

## INSPIREDSAPCES ROCHDALE LIMITED

---

### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF INSPIREDSAPCES ROCHDALE LIMITED

---

#### Opinion

We have audited the financial statements of Inspiredspaces Rochdale Limited ("the company") for the year ended 31 December 2018, which comprise the Income Statement, Balance Sheet and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of 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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

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 a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

---

## INSPIREDSAPES ROCHDALE LIMITED

---

### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF INSPIREDSAPES ROCHDALE LIMITED

---

#### Directors' report

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

Our responsibility is to read 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 directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has 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; 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 from the requirement to prepare a strategic report

We have nothing to report in these respects.

#### Directors' responsibilities

As explained more fully in their statement set out on Page 1, 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.

#### 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](http://www.frc.org.uk/auditorsresponsibilities).

---

**INSPIREDSPACES ROCHDALE LIMITED**

---

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF INSPIREDSPACES ROCHDALE LIMITED**

---

**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.



James Tracey (Senior statutory auditor)

for and on behalf of

**KPMG LLP, Statutory Auditor**

Chartered Accountants

One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

Date: 30 September 2019



---

**INSPIREDSPACES ROCHDALE LIMITED**

---

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

	Note	2018 £000	2017 £000
Turnover		1,313	831
Cost of sales		(1,128)	(719)
<b>Gross profit</b>		<b>185</b>	<b>112</b>
Administrative expenses		(95)	(94)
<b>Operating profit</b>		<b>90</b>	<b>18</b>
Income from fixed assets investments		-	6
Interest receivable and similar income	5	78	74
Interest payable and similar expenses	6	(78)	(73)
<b>Profit before tax</b>		<b>90</b>	<b>25</b>
Tax on profit	7	(10)	(4)
<b>Profit for the financial year</b>		<b>80</b>	<b>21</b>

There was no other comprehensive income for 2018 (2017: £NIL).

The notes on pages 8 to 15 form part of these financial statements.

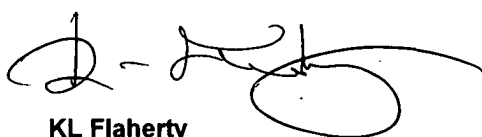
**INSPIREDSPACES ROCHDALE LIMITED**  
**REGISTERED NUMBER: 07017267**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
<b>Fixed assets</b>			
Investments	8	2	2
		<u>2</u>	<u>2</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	9	657	646
Debtors: amounts falling due within one year	9	257	289
Cash at bank and in hand		315	273
		<u>1,229</u>	<u>1,208</u>
Creditors: amounts falling due within one year	10	(468)	(538)
<b>Net current assets</b>		<u>761</u>	<u>670</u>
<b>Total assets less current liabilities</b>		<u>763</u>	<u>672</u>
Creditors: amounts falling due after more than one year		(657)	(646)
<b>Net assets</b>		<u><u>106</u></u>	<u><u>26</u></u>
<b>Capital and reserves</b>			
Called up share capital		2	2
Profit and loss account		104	24
		<u>106</u>	<u>26</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



**KL Flaherty**  
Director

Date: 27 September 2019

The notes on pages 8 to 15 form part of these financial statements.

---

## INSPIREDSAPCES ROCHDALE LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. General information

inspiredspaces Rochdale Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK. The registered number is 07017267 the registered address is 3 More London Riverside, London, SE1 2AQ.

All amounts in the financial statements have been rounded to the nearest £1,000 unless stated otherwise.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The financial statements have been prepared on a going concern basis which assumes the Company will continue in operational existence for the foreseeable future.

The directors have reviewed the Company's cash flow forecasts and profit projections. The forecasts demonstrate that the company expects to meet its liabilities as they fall due for the foreseeable future. The directors therefore believe it is appropriate for the financial statements to be prepared on a going concern basis.

##### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### 2.4 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

---

## INSPIREDSAPES ROCHDALE LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 2. Accounting policies (continued)

##### 2.5 Finance costs

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

##### 2.6 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

##### 2.7 Valuation of investments

Investments in participating interests are measured at cost less accumulated impairment.

##### 2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

---

**INSPIREDSAPES ROCHDALE LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**3. Auditors' remuneration**

	<b>2018 £000</b>	<b>2017 £000</b>
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>5</u>	<u>9</u>

**4. Employees**

The average monthly number of employees during the year was 0 (2017 - 0).

The directors have no contract of service with the Company. Amounts paid in respect of directors' services were £Nil (2017: £Nil).

**5. Interest receivable**

	<b>2018 £000</b>	<b>2017 £000</b>
Amounts receivable from participating interest	<u>78</u>	<u>74</u>
	<u><b>78</b></u>	<u><b>74</b></u>

**6. Interest payable and similar expenses**

	<b>2018 £000</b>	<b>2017 £000</b>
Amounts due to shareholders	<u>78</u>	<u>73</u>
	<u><b>78</b></u>	<u><b>73</b></u>

**7. Taxation**

	<b>2018 £000</b>	<b>2017 £000</b>
<b>Corporation tax</b>		
Current tax on profits for the year	17	4
Adjustments in respect of previous periods	(7)	-
<b>Total current tax</b>	<u><b>10</b></u>	<u><b>4</b></u>

---

INSPIREDSAPCES ROCHDALE LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018

---

7. Taxation (continued)

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £000	2017 £000
Profit on ordinary activities before tax	90	25
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	17	5
Effects of:		
Non-taxable dividend income	-	(1)
Adjustments to tax charge in respect of prior periods	(7)	-
<b>Total tax charge for the year</b>	<b>10</b>	<b>4</b>

**Factors that may affect future tax charges**

A reduction in the UK corporation tax rate to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

---

**INSPIREDSAPES ROCHDALE LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**8. Fixed asset investments**

	<b>Investments in participating interests £000</b>
<b>Cost or valuation</b>	
At 1 January 2018	2
	<hr/>
At 31 December 2018	2
	<hr/>
<b>Net book value</b>	
At 31 December 2018	2
	<hr/> <hr/>

**Participating interests**

Shares in participating interest represent a holding of 10% of the ordinary share capital of inspiredspaces Rochdale (Holdings 1) Limited and a holding of 10% of the ordinary share capital of inspiredspaces Rochdale (Holding 2) Limited registered at 3rd Floor, 3-5 Charlotte Street, Manchester, M1 4HB. Both companies are incorporated in Great Britain. Their activities are the design, build, maintenance and operation of schools in the Rochdale area.

---

**INSPIREDSAPES ROCHDALE LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**9. Debtors**

	<b>2018 £000</b>	<b>2017 £000</b>
<b>Due after more than one year</b>		
Due from participating interests	<b>657</b>	<b>646</b>
	<u><b>657</b></u>	<u><b>646</b></u>
	<b>2018 £000</b>	<b>2017 £000</b>
<b>Due within one year</b>		
Trade debtors	<b>142</b>	<b>209</b>
Due from participating interests	<b>96</b>	<b>18</b>
Other debtors	<b>-</b>	<b>61</b>
Prepayments and accrued income	<b>19</b>	<b>1</b>
	<u><b>257</b></u>	<u><b>289</b></u>

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

	<b>2018 £000</b>	<b>2017 £000</b>
Trade creditors	<b>103</b>	<b>93</b>
Amounts owed to shareholders	<b>96</b>	<b>18</b>
Corporation tax	<b>126</b>	<b>110</b>
Accruals and deferred income	<b>143</b>	<b>317</b>
	<u><b>468</b></u>	<u><b>538</b></u>



---

**INSPIREDSAPCES ROCHDALE LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

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

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to shareholders	<b>657</b>	<b>646</b>
	<u><b>657</b></u>	<u><b>646</b></u>

One of the unsecured loans from shareholders (in proportion to their shareholding) carries interest at 11.25% from 31 March 2012, and falls due for payment in six monthly intervals. The first repayment fell due on 30 September 2012 with final repayment falling due on 31 March 2036.

The other unsecured loan from shareholders (in proportion to their shareholding) carries interest at 11.55% from 31 March 2016, and falls due for payment in six monthly intervals. The first repayment fell due on 31 September 2016 with the final repayment falling due on 31 March 2038.

**12. Share capital**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
200 (2017 - 200) A Ordinary shares of £1.00 each	<b>200</b>	<b>200</b>
200 (2017 - 200) B Ordinary shares of £1.00 each	<b>200</b>	<b>200</b>
1,600 (2017 - 1,600) C Ordinary shares of £1.00 each	<b>1,600</b>	<b>1,600</b>
	<u><b>2,000</b></u>	<u><b>2,000</b></u>

**13. Related party transactions**

During the year the Company sold £1,144,646 (2017: £188,700) in respect of construction, ICT and administration services, provided to Rochdale Borough Council, a related party by virtue of its interest in the Company. As at 31 December 2018, £17,985 (2017: £174,035) was owed by Rochdale Borough Council, in relation to the services described above.

During the year the Company received invoices of £101,732 (2017: £nil) in respect of construction, ICT and administration services, provided by Rochdale Borough Council, a related party by virtue of its interest in the Company. As at 31 December 2018, £9,624 (2017: £nil) was owed to Rochdale Borough Council, in relation to the services described above.

During the year the Company received invoices of £7,732 (2017: £nil) in respect of construction, ICT and administration services provided by Building Schools for the Future Investments LLP, a related party by virtue of its interest in the Company. As at 31 December 2018 £9,561 (2017: £nil) was owed to BSF, in relation to the services described above.

---

**INSPIREDSPACES ROCHDALE LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**14. Controlling party**

As at 31 December 2018, 80% of the share capital of the Company was held by inspiredspaces Rochdale (PSP1) Limited, 10% by Rochdale Borough Council and 10% by Building Schools for the Future Investments LLP. Under the terms of a shareholders' agreement, no individual shareholder is able to control or exert significant influence over the Company and therefore, in the directors' opinion, there is no ultimate party.