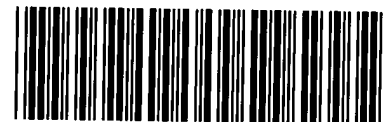


INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED

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

REGISTERED NUMBER 07155049

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**INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

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INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED

Director's report

The director presents her report together with the audited financial statements for the year ended 31 December 2017.

Principal activities

The Principal activity of the company is that of investment in an undertaking which develops and operates projects under the government's Building Schools for the Future scheme.

The director anticipates that the company will continue its present role during 2018.

Business review, results and dividends

The principal risks facing the business are that the value of investment in the undertaking, which is dependent on the success of the underlying project, might be less than anticipated and the risk that Inspiredspaces Wolverhampton (PSP1) Limited might have to inject cash into the undertaking to maintain its value. The director manages this risk through close involvement in the management of the underlying project and regular monitoring of its performance. During the year the company disposed of its investment at a profit of £657,000.

The company's key performance indicators are profit before tax and return on capital employed. The profit before taxation was £80,000 (2016: £24,000). The board approved an interim dividend payment of £807,000 (2016: £24,000).

Directors

The directors holding office during the reporting period to the date of this report are as follows:

KL Flaherty	(Appointed 3 September 2018)
FR Herzberg	(Resigned 3 September 2018)
MA Trodd	(Resigned 31 December 2017)
GR Howard	(Resigned 13 September 2017)

Post balance sheet events

On 15 January 2018, Carillion Plc and its subsidiary Carillion Services Limited entered compulsory liquidation. Carillion Services Limited were contracted to provide facilities management services for Inspiredspaces Wolverhampton (Projectco1) Limited in which Inspiredspaces Wolverhampton (PSP1) Limited holds an indirect investment. At the date of signing this facilities management services contract was successfully transitioned to a new service provider. The impact of the change in facility management provider is not deemed to have a material impact on the project.

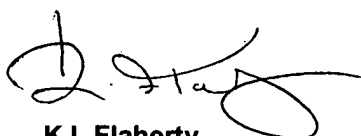
Disclosure of information to auditor

The director who held office at the date of approval of this Director's report confirms that, so far as she is aware, there is no relevant audit information of which the company's auditors is unaware: and that she has taken steps that she ought to have taken as director to make herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

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

Approved by the Board on 26 November 2018 and signed on its behalf by:



K L Flaherty
Director

INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED

Statement of director responsibilities

In respect of the director's report and the financial statements

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law she has elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework.

Under company law the director must not approve the financial statements unless she is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 she either intends to liquidate the company or to cease operations or has no realistic alternative but to do so.

The director is 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 her to ensure that the financial statements comply with the Companies Act 2006. She is responsible for such internal controls as she determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to her to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report

To the members of Inspiredspaces Wolverhampton (PSP1) Limited

We have audited the financial statements of Inspiredspaces Wolverhampton (PSP1) Limited for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Balance Sheet and Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

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

Director's report

The directors are responsible for the director's 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 director's 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 director's 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 director 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 take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Director responsibilities

As explained more fully in the statement set out on page 2, 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 controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report

To the members of Inspiredspaces Wolverhampton (PSP1) Limited (continued)

Auditor's responsibilities

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

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

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

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



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: 27 November 2018

INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED

Statement of comprehensive income for the year ended 31 December 2017

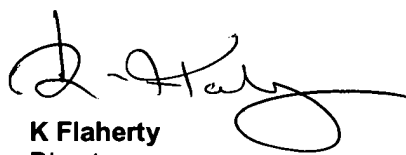
	<i>Note</i>	2017 £'000	2016 £'000
Investment income	2	150	24
Gain on disposal of investment	2	657	-
Interest receivable	3	32	56
Interest payable	3	(32)	(56)
Profit before tax		<u>807</u>	<u>24</u>
Tax on profit		-	-
	5	<u>807</u>	<u>24</u>
Profit for the financial year, being total comprehensive income for the financial period		<u><u>807</u></u>	<u><u>24</u></u>

INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED

Balance sheet **At 31 December 2017**

	Note	2017 £'000	2016 £'000
Fixed assets			
Investments	6	8	8
Current assets			
Debtors: amounts falling due within one year	7	-	16
Debtors: amounts falling due after one year	8	-	465
		<u>-</u>	<u>481</u>
Creditors: amounts falling due within one year	9	-	(16)
Net current assets		<u>-</u>	<u>465</u>
Total assets less current liabilities		<u>8</u>	<u>473</u>
Creditors: amounts falling due after more than one year	10	-	(465)
Net assets		<u>8</u>	<u>8</u>
Capital and reserves			
Called up share capital	11	8	8
Profit and loss account		-	-
Equity shareholders' funds		<u>8</u>	<u>8</u>

These financial statements were approved by the Director on 26 November 2018.



K Flaherty
Director
Company registered number 07155049

INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED

Statement of changes in equity **For the period ended 31 December 2017**

	Share Capital	Retained Earnings	Total
	£'000	£'000	£'000
Balance at 1 January 2016	8	-	8
Total Comprehensive Income for the period	-	24	24
Dividends paid	-	(24)	(24)
Balance at 31 December 2016	8	-	8
Total Comprehensive income for the period	-	807	807
Dividends paid	-	(807)	(807)
Balance at 31 December 2017	8	-	8

INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED

Notes to the financial statements

(forming part of the financial statements)

1. Principal accounting policies

Inspiredspaces Wolverhampton (PSP1) Limited is a company limited by shares and incorporated and domiciled in the UK. The registered address 3 More London Riverside, London, SE1 2AQ.

Basis of accounting

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101. The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS101") as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest thousand pounds.

The Company's ultimate parent undertaking as at the Balance Sheet date, Carillion PLC included the company in its consolidated financial statements. The consolidated financial statements of Carillion PLC are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from 84 Salop Street, Wolverhampton, WV3 0SR. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS101 in respect of the following disclosure:

- comparative period reconciliations for share capital
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- the effect of new but not yet effective IFRSs;
- an additional balance sheet for the beginning of the earliest comparative period following the respected change in accounting policy
- disclosures in respect of compensation of key management personnel; and
- disclosures of transactions with a management entity that provides key management personnel services to the company.

The company does not have a bank account, and as a result a cash flow statement and the related notes are not presented.

At the date of approval of these financial statements, the following Standards and Interpretations, which have not yet been applied in these financial statements, were in issue, but not yet effective:

- Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures
- Amendments to IAS 40: Transfers of Investment Property
- Amendments to IFRS 2: Amendments to clarify the classification and measurements of share-based payment transactions
- Amendments to IFRS 9: Prepayment Features with Negative Compensation
- IFRS 17 Insurance Contracts
- IFRIC 22 – Foreign Currency Transactions and Advance Consideration
- IFRIC 23 – Uncertainty over Income Tax Treatments
- Annual improvements to IFRS 2014 – 2016 cycle
- Annual improvements to IFRS 2015 – 2017 cycle
- IFRS 15: Revenue from contracts with customers
- IFRS 9: Financial Instruments
- IFRS 16: Leases

Measurement convention

The financial statements are prepared on the historical cost basis.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED

Notes to the financial statements (continued) (forming part of the financial statements)

1. Principal accounting policies (continued)

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 director has reviewed the Company cash flow forecasts and profit projections over the concession period. The forecasts demonstrate that the Company expects to meet its liabilities as they fall due for the foreseeable future. The director believes it is appropriate for the financial statements to be prepared on a going concern basis.

Expenses

Interest payable and similar charges include interest payable.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Investments

Fixed asset investments in subsidiaries and associates are accounted for at cost less any provision for impairment.

Basic Financial Instruments

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less an impairment loss.

Investments in preference and ordinary shares

Investments in equity instruments are measured at cost less impairment in profit or loss.

Investments in subsidiaries, jointly controlled entities and associates

These are separate financial statements of the company. Investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment.

Judgement and Key Sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amount reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no significant accounting estimates or judgements required in the preparation of these financial statements.

2. Investment Income

	2017 £'000	2016 £'000
Dividends received from participating interest	150	24
Gain on disposal of investment	657	-
	<u>807</u>	<u>24</u>

During the year the company disposed of the loan notes it subscribed to in Inspiredspaces Wolverhampton Limited at a profit of £657,000.

INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED

Notes to the financial statements (continued) (forming part of the financial statements)

3. Net interest receivable/(payable)	2017 £'000	2016 £'000
Interest receivable		
Amounts owed by participating interest	32	56
Interest payable		
Unsecured loans from shareholder	(32)	(56)
Net Interest payable	<u>-</u>	<u>-</u>

4. Director's, employees and auditor's fee

There were no employees during the year (2016: none). The director has no contract of service with the company and receive no remuneration for the services performed for the company (2016: none).

The audit fee relating to this company was £221 (2016: £750) and was borne by Inspiredspaces Wolverhampton Limited.

5. Tax on profit	2017 £'000	2016 £'000
<i>(a) Analysis of taxation charge in the year</i>		
Corporation tax – current year	-	-

No liability to UK corporation tax arose for the year ended 31 December 2017 nor for the year ended 31 December 2016

(b) Total tax reconciliation

The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £'000	2016 £'000
Profit before taxation	807	24
Profit multiplied by the standard rate of tax in the UK of 19.25% (2016: 20%)	155	5
Non-taxable UK dividend income	(126)	-
Losses carried forward	(29)	(5)
Total tax charge for the year	<u>-</u>	<u>-</u>

(c) Factors affecting the tax charge for the year

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

There is no recognised or unrecognised deferred tax (2016: none).

INSPIREDSPACES WOLVERHAMPTON (PSP1) LIMITED

Notes to the financial statements (continued) (forming part of the financial statements)

6 Investments

		Share in Participating interest £'000
<i>Cost and net book value</i>		
At beginning and end of year		<u>8</u>
Name of Company	Country of incorporation and operation	Proportion of ordinary share capital held
Inspiredspaces Wolverhampton Limited 3 More London, London, SE1 2AQ	Great Britain	80%

This company is involved in the investment, in the development and operation of projects under the Building Schools for Future scheme.

This investment is treated as a participating interest, as Inspiredspaces Wolverhampton (PSP1) Limited is unable to exercise control over Inspiredspaces Wolverhampton Limited; A Local Education Partnership (LEP). Inspiredspaces Wolverhampton (PSP1) Limited does not consolidate the LEP results despite holding 80% of its equity, as all decisions made by the LEP have to be agreed with the client Authority; and as such Inspiredspaces Wolverhampton (PSP1) Limited is not holding a controlling interest. It is therefore reasonable not to consolidate the financial results.

7. Debtors: amounts falling due within one year	2017 £'000	2016 £'000
Amounts due from participating interest	<u>-</u>	<u>16</u>

This unsecured loan bears interest at 12% and is repayable in instalments between 31 March 2014 and 30 September 2036. During the year the company disposed of these loan notes.

8. Debtors: amounts falling due after one year	2017 £'000	2016 £'000
Amounts due from participating interest	<u>-</u>	<u>465</u>

9. Creditors: amounts falling due within one year	2017 £'000	2016 £'000
Amount due to shareholder	-	2
Interest on unsecured loan from shareholder	-	14
	<u>-</u>	<u>16</u>

This unsecured loan bears interest at 12.0% and is repayable in unequal six monthly instalments between 31 March 2013 and 30 September 2036. During the year the company settled these outstanding loan balances in full.

INSPIREDSAPES WOLVERHAMPTON (PSP1) LIMITED

Notes to the financial statements (continued) (forming part of the financial statements)

10. Creditors: amounts falling due after one year

	2017 £'000	2016 £'000
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Amount due to shareholder	-	465
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The unsecured loan is repayable in instalments as follows:

Within one year (see note 9)	-	2
Between one and two years	-	3
Between two and five years	-	23
Greater than five years	-	439
	-	467

Previously, the shareholder subscribed to unsecured loan notes totalling £524,000 to Inspiredspaces Wolverhampton Limited in February 2013, the company in which it has a participating interest in. These loan notes bear interest at 12.0% and are repayable in unequal six monthly instalments between 31 March 2013 and 30 September 2036. The company subscribed to further unsecured loan notes totalling £362,000 to Inspiredspaces Wolverhampton Limited in November 2015, drawn in 2016. These loan notes bear interest at 11.0% and are repayable in unequal six monthly instalments between 31 March 2016 and 30 September 2039. During the year the company settled these outstanding loan balances in full.

11. Share Capital

	2017 £'000	2016 £'000
--	---------------	---------------

Allotted, called up and fully paid
8,000 ordinary shares of £1 each

	8	8
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The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

12. Subsequent events

On 15 January 2018, Carillion Plc and its subsidiary Carillion Services Limited entered compulsory liquidation. Carillion Services Limited were contracted to provide facilities management services for Inspiredspaces Wolverhampton (Projectco1) Limited in which Inspiredspaces Wolverhampton (PSP1) Limited holds an indirect investment in. At the date of signing this facilities management services contract was successfully transitioned to a new service provider. The impact of the change in facility management provider is not deemed to have a material impact on the project.

13. Ultimate Parent Company and parent of larger group

At 31 December 2017 100% of the share capital of the company was held by Amber LEP Investment Limited (formerly Carillion Private Finance Education (2012) Limited), a company incorporation in the United Kingdom.

At the balance sheet date, the company was a subsidiary undertaking of Carillion PLC which was the ultimate parent company in the United Kingdom. On 3 September 2018 the shares in Carillion Private Finance (Education) 2012 Limited were purchased by Amber Investment Holdings Limited, which is ultimately owned by Amber Infrastructure Group Holdings Limited. As a result the Company is now controlled by Amber LEP Investments being the Company's intermediate parent undertaking.

The largest group in which the results of the company are consolidated as at the Balance Sheet 31 December 2017 is that headed by Carillion PLC, incorporated in the United Kingdom. No other group financial statements include the results of the company. The consolidated financial statements of these groups are available to the public and may be obtained from 84 Salop Street, Wolverhampton, WV3 0SR, United Kingdom.