REGISTERED NUMBER: 08649413 (England and Wales)

Report of the Directors and

Financial Statements

for the Year Ended 31 December 2017

for

Inspiredspaces Wolverhampton (Projectco2) Limited

Inspiredspaces Wolverhampton (Projectco2) Limited

Contents of the Financial Statements for the year ended 31 December 2017

Inspiredspaces Wolverhampton (Projectco2) Limited

Company Information for the year ended 31 December 2017

DIRECTORS:	N Mackee T D Johnson M J Gregory K L Flaherty W D Hague
REGISTERED OFFICE:	3 More London Riverside London SE1 2AQ
REGISTERED NUMBER:	08649413 (England and Wales)
AUDITOR:	KPMG LLP One Snowhill Snow Hill Queensway Birmingham B4 6GH

Inspiredspaces Wolverhampton
(Projectco2) Limited (Registered number: 08649413)

Report of the Directors
for the year ended 31 December 2017

The directors present their report and financial statements for the year ended 31 December 2017.

PRINCIPAL ACTIVITY
The principal activities of the company are the design, redevelopment, financing and operation of two schools and associated services under the Government's Building Schools for the Future scheme for a period of twenty six years pursuant to and in accordance with the terms of an agreement with the Wolverhampton Metropolitan Borough Council. This agreement together with a loan facilities agreement, a construction contract, a facilities management contract and other related contracts were signed on 13 January 2014. Construction of the schools commenced in January 2014 and was completed in August 2015. Post completion works were completed in October 2016.

REVIEW OF BUSINESS
The directors consider the performance of the company during the year, the financial position at the end of the year and its prospects for the future to be satisfactory.

The statement of comprehensive income set out on page 6 shows a profit for the financial year of £218,000 (2016: £30,000).

As at 31 December 2017, the company was owned as follows: 10% (2016: 10%) by Inspiredspaces Wolverhampton Limited, 81% (2016: 81%) by Building Schools for the Future Investments LLP and 9% (2016: 9%) by Wolverhampton City Council.

DIVIDENDS
A dividend of £356,000 (2016: £300,000) was declared and paid during the year. No further dividend is recommended.

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 (Projectco2) Limited. At the date of signing Amber Asset Management Limited, the management services provider have a plan in place to transition the contractual services 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.

FUTURE DEVELOPMENTS
The directors continue to develop the business in line with the contract.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

N Mackee
T D Johnson
M J Gregory
K L Flaherty

Other changes in directors holding office are as follows:

K Edwards – resigned 3 May 2017
W D Hague – appointed 1 March 2017

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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Inspiredspaces Wolverhampton
(Projectco2) Limited (Registered number: 08649413)

Report of the Directors
for the year ended 31 December 2017

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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves 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.

ON BEHALF OF THE BOARD:

N.J. Mackee
....
N Mackee - Director

Date: 15/6/2018

Report of the Independent Auditor to the Members of Inspiredspaces Wolverhampton (Projectco2) Limited

Opinion
We have audited the financial statements of Inspiredspaces Wolverhampton (Projectco2) Limited ("the company") for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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.

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 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 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 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.

Report of the Independent Auditor to the Members of Inspiredspaces Wolverhampton (Projectco2) 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: ...18 June 2018.....

Inspiredspaces Wolverhampton
(Projectco2) Limited

Statement of Comprehensive Income
for the year ended 31 December 2017

	Notes	2017 £'000	2016 £'000
TURNOVER	2	**1,836**	6,676
Cost of sales		**(1,682)**	(6,388)
GROSS PROFIT		**154**	288
OPERATING PROFIT		**154**	288
Interest receivable and similar income	4	**3,025**	2,717
		3,179	3,005
Interest payable and similar expenses	5	**(2,909)**	(2,967)
PROFIT BEFORE TAXATION	6	**270**	38
Tax on profit	7	**(52)**	(8)
PROFIT FOR THE FINANCIAL YEAR		**218**	30
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**218**	30

The notes on pages 9 to 15 form part of these financial statements

Inspiredspaces Wolverhampton
(Projectco2) Limited (Registered number: 08649413)

Statement of Financial Position
31 December 2017

	Notes	2017 £'000	2016 £'000
CURRENT ASSETS			
Debtors: amounts falling due within one year	9	1,496	1,589
Debtors: amounts falling due after more than one year	9	44,849	46,081
Cash in hand		2,086	2,042
		48,431	49,712
CREDITORS			
Amounts falling due within one year	10	(2,459)	(2,304)
NET CURRENT ASSETS		45,972	47,408
TOTAL ASSETS LESS CURRENT LIABILITIES		45,972	47,408
CREDITORS			
Amounts falling due after more than one year	11	(44,873)	(46,171)
NET ASSETS		1,099	1,237
CAPITAL AND RESERVES			
Called up share capital	13	10	10
Retained earnings	14	1,089	1,227
SHAREHOLDER FUNDS		1,099	1,237

The financial statements were approved by the Board of Directors on 15 JUNE 18 and were signed on its behalf by:

N.J. Mackee

N Mackee - Director

The notes on pages 9 to 15 form part of these financial statements

Inspiredspaces Wolverhampton (Projectco2) Limited

Statement of Changes in Equity for the year ended 31 December 2017

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2016	10	1,497	1,507
Changes in equity			
Dividends (Note 8)	-	(300)	(300)
Total comprehensive income	-	30	30
Balance at 31 December 2016	10	1,227	1,237
Changes in equity			
Dividends (Note 8)	-	(356)	(356)
Total comprehensive income	-	218	218
Balance at 31 December 2017	10	1,089	1,099

The notes on pages 9 to 15 form part of these financial statements

1. **ACCOUNTING POLICIES**

Basis of preparation
These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101) and the Companies Act 2006 for the year ended 31 December 2017.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The Company's ultimate parent undertaking, International Public Partnerships Limited Partnership, includes the Company in its consolidated financial statements. The consolidated financial statements of International Public Partnerships Limited Partnership are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from 3 More London Riverside, London SE1 2AQ.
In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel and;
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

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

Non-derivative financial assets
The company initially recognises loans and receivables and deposits on the date that they originated.
The company derecognises a financial asset when the contractual rights to the cashflows from the asset expire, or it transfers the rights to receive contractual cashflows on a financial asset in a transaction in which substantially all the risks and reward or ownership or the financial asset are transferred.
Financial assets and liabilities are offset and the net amounts presented in the balance sheet when and only when the company has a legal right to offset the amount and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Short term debtors and creditors
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in administrative expenses.

Non-derivative financial liabilities
The company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date, which is the date the company becomes party to the contractual provision of the instrument.
The company derecognises the liability when its contractual obligations are discharged, cancelled or expire. The company classifies non-derivative financial liabilities into the other liabilities category. Such financial liabilities are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Interest-bearing borrowings
Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Revenue
Services revenue (in accordance with IFRIC 12) represents revenues from the provision of construction and operational services to Private Finance Initiative ("PFI") projects calculated as the fair value of services provided. A margin is recognized on the service provided which is reimbursed to the company along with the value of construction over the duration of the concession by the grantor through payment of a unitary charge in line with the Project Agreement of 13 January 2014.

1. ACCOUNTING POLICIES - continued

Service concessions
In accordance with IFRIC 12 and the various provisions of adopted IFRSs, the company has determined the appropriate treatment of the principal assets of, and income streams from PFI and similar contracts. Results of all service concessions which fall within the scope of IFRIC 12 conform to the following policies depending on the rights to consideration under the service concessions.

Service concessions treated as financial assets

The company recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition. Subsequent to initial recognition, the financial assets are held at amortised cost.
Revenue is recognised by allocating a proportion of total cash receivable to construction income and service income. The consideration received will be allocated by reference to the relative fair value of the services delivered, when the amounts are separately identifiable.

During the operational stage, cash received in respect of the service concessions is allocated to service and maintenance revenue based on its fair value, with the remainder being allocated between capital repayment and interest income using the effective interest method.

The finance receivables are held as loan or receivable in accordance with IAS 39: 'Financial instruments: Recognition and measurement'. Finance receivables are recognised initially at fair value. Subsequent to initial recognition, finance receivables are measured at amortised cost using the effective interest method less any impairment losses.

Interest receivable and interest payable
Interest payable and similar expenses comprise of interest payable. Interest receivable and similar income comprises interest receivable on funds invested and interest receivable on the financial asset.
Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

Statement of compliance
Inspiredspaces Wolverhampton (ProjectCo2) Limited is a limited company incorporated, domiciled and registered in England. The Registered Office is 3 More London Riverside, London, SE1 2AQ.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2017. The financial statements are prepared in pounds sterling and are rounded to the nearest thousand pounds (£'000).

Going concern
The financial statements are prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future.
The directors have reviewed the company's cash flow forecasts and profit projections over the concession period. The forecasts demonstrate that the company expects to comply with its banking covenants and meet its liabilities as they fall due for the foreseeable future. The directors believe it is appropriate for the financial statements to be prepared on a going concern basis.

Impairment
Financial assets (including receivables)
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.
An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1. ACCOUNTING POLICIES - continued

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.
Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to those taxes levied by the same tax authority as the same taxable entity or a different tax entity but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.
A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts 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.

Future adoption of international financial standards

A number of new Standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2017 but have not yet been enclosed by the EU and therefore have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements.

2. TURNOVER

	2017 £'000	2016 £'000
Rendering of construction services	-	3,835
Rendering of operational services	1,836	2,841
Total Revenue	1,836	6,676

3. EMPLOYEES AND DIRECTORS

There were no employees during the year (2016: none). The directors have no contract of service with the company. Amounts payable to third parties in respect of directors' services were £23,000 (2016: £22,000).

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2017 £'000	2016 £'000
Other interest receivable	1	11
Interest income on the financial asset	3,024	2,706
	3,025	2,717

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017 £'000	2016 £'000
Bank borrowing	2,426	2,462
Amounts owed to shareholders	483	505
	2,909	2,967

6. PROFIT BEFORE TAXATION

The following costs were incurred during the year:

	2017	2016
	£'000	£'000
Fees payable to the company's auditor for the audit of the company's annual accounts	**12**	11

7. TAXATION

Analysis of tax expense

	2017	2016
	£'000	£'000
Current tax:		
Tax	**52**	8
Total tax expense in statement of comprehensive income	**52**	8

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is the same (2016: the same) as the standard rate of corporation tax in the UK.

	2017	2016
	£'000	£'000
Profit before tax	**270**	38
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	**52**	8
Profit after tax	**218**	8

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 25 October 2015. Further reductions 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 asset (2016: £nil).

8. DIVIDENDS

	2017	2016
	£'000	£'000
Ordinary shares of £1 each		
Interim dividend	**356**	300

9. DEBTORS

	2017	2016
	£'000	£'000
Amounts falling due within one year:		
Amounts recoverable in respect of financial assets	**1,352**	1,453
Other Receivables	**-**	2
Prepayments	**136**	134
Corporate Tax Receivable	**8**	-
	1,496	1,589

9. **DEBTORS – continued**

Amounts falling due after more than one year:		
Amounts receivable in respect of financial assets	**44,849**	46,081
	44,849	46,081
Aggregate amounts	**46,345**	47,670

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£'000	£'000
Bank loans and overdrafts (see note 12)	**1,305**	1,342
Trade creditors	**313**	308
Amounts owed to group undertakings	**245**	203
Other creditors	**596**	451
	2,459	2,304

11. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017	2016
	£'000	£'000
Bank loans (see note 12)	**40,585**	41,818
Amounts owed to group undertakings	**4,288**	4,353
	44,873	46,171

12. **FINANCIAL LIABILITIES - BORROWINGS**

An analysis of the maturity of the bank loan is given below:

	2017	2016
	£'000	£'000
Wholly repayable within five years	**7,491**	7,209
Wholly repayable within five years	**35,527**	37,151
	43,018	44,360

Bank borrowings relate to term loan facilities granted by the bank on 13 January 2014. The loan facility is for a total value of £50,479,000 comprising of a £45,873,000 senior term loan facility, a £3,621,000 equity bridge facility and a £985,000 debt service facility. As at 31 December 2017 £43,018,000 (2016: £44,360,000) has been drawn comprising £43,018,000 (2016: £44,360,000) senior term loan.

Loan issue costs in respect of this facility have been deducted from the gross proceeds of the bank borrowings and an effective interest rate is used to calculate finance costs. There was an effective interest rate adjustment of £1,128,000 (2016: £1,200,000) on these loans outstanding at the year end.

The term loan facility is repayable in unequal quarterly instalments having commenced on 30 September 2015 and ending on 30 September 2039. Interest on the term loan and equity bridge loan is charged at a fixed rate of 5.34%.

The facilities are secured, by way of first fixed charge, over all of the assigned rights which the company now has, its present and future interest in the securities and all other stocks, shares, debentures, bonds and other securities, all account monies, all benefits in respect of insurances, all book and other debts and other monies due, its present and future goodwill and its present and future uncalled capital. They are also secured by way of a floating charge over the whole of the charged assets being the whole of the property (including uncalled capital) which is or may be from time to time comprised in the property and undertaking of the chargor.

12. FINANCIAL LIABILITIES - BORROWINGS - continued

An analysis of the maturity of the group loan is given below:

	2017 £'000	2016 £'000
Wholly repayable within five years	**463**	426
Wholly repayable within five years	**3,891**	4,007
	4,354	4,433

Amounts owed to group undertakings comprise loan stock of £4,354,000 (2016: £4,433,000) from Inspiredspaces Wolverhampton (Holdings2) Limited. These borrowings bear interest at 11% per annum and are repayable in instalments on or before 30 September 2039. There was £121,000 (2016: £123,000) of accrued interest on these loans outstanding at the year end.

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £'000	2016 £'000
10,000	Ordinary shares	£1	**10**	10

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.

14. RESERVES

	Retained earnings £'000
At 1 January 2017	**1,227**
Profit for the year	**218**
Dividends	**(356)**
At 31 December 2017	**1,089**

15. RELATED PARTY DISCLOSURES

Related party transactions

	Purchase of goods and services for the year ended 31 December 2017 £'000	Purchase of goods and services for the year ended 31 December 2016 £'000
Carillion Construction Limited	-	4,536
Carillion Private Finance (Education) 2012	-	5
Inspiredspaces Wolverhampton Limited	**29**	177
Carillion Services Limited	**1,451**	1,467
Wolverhampton Metropolitan Borough Council	**7**	5
	1,487	6,190

	Payable outstanding 2017 £'000	Payables outstanding 2016 £'000
Carillion Construction Limited	-	318
Carillion Services Limited	**305**	294
Inspiredspaces Wolverhampton Limited	-	9
Wolverhampton Metropolitan Borough Council	-	3
	305	624

The above companies are related parties as are deemed to have significant control.

The Company received management services during the year from Inspiredspaces Wolverhampton Limited, an entity which had significant influence in the company until May 2017. From May 2017 the management services contract was terminated and a new management services provider Amber Asset Management Limited was put in place. During the year Carillion Services Limited provided facilities management services. Directorship services were provided by Wolverhampton Metropolitan Borough Council.

16. ULTIMATE CONTROLLING PARTY

The directors regard Inspiredspaces Wolverhampton (Holdings2) Limited, an entity incorporated in England and Wales as the immediate parent undertaking and controlling party and International Public Partnerships Limited Partnership, a company registered in Guernsey as the ultimate parent undertaking and controlling party. Copies of the consolidated financial statements of International Public Partnerships Limited Partnership, the smallest and largest group of which the company is a member and for which group financial statements are prepared, can be obtained from the registered address at 3 More London Riverside, London, SE1 2AQ.