

Company Registration No. 04954337 (England and Wales)

**ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

TUESDAY



\*A6BG5CIJ\*

A13

25/07/2017

#4

COMPANIES HOUSE

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	Mr B Dean Mr A Watson (Appointed 19 April 2016)
<b>Secretary</b>	HCP Management Services Limited
<b>Company number</b>	04954337
<b>Registered office</b>	8 White Oak Square London Road Swanley Kent BR8 7AG
<b>Auditor</b>	KPMG LLP 66 Queen Square Bristol BS1 4BE

---

# **ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditor's report to the members of Academy Services (Waltham Forest) (Holdings) Limited	4 - 5
Statement of total comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9 - 13

---

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 MARCH 2017**

---

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

### Principal activities

The company is an investment holding company whose sole business is the holding of an investment in its wholly owned subsidiary, Academy Services (Waltham Forest) Limited.

The subsidiary company has entered into a Project Agreement (the "Project") in March 2004 with Waltham Forest Borough Council, together with an associated construction contract, funding agreements, hard and soft services contracts and ancillary project agreements under the terms of a Mobilisation Services Agreement. The Project is for a primary term from the date of signing the Project Agreement in September 2003 until the concession period ends on 30 April 2036. The directors do not foresee any changes in the activities of the company.

### Directors

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

Mr B Dean

Mr D Brooking

Mr A Watson

(Resigned 19 April 2016)

(Appointed 19 April 2016)

### Results and dividends

Interim dividends were paid amounting to £659,000 (2015: £607,000). The directors do not recommend payment of a final dividend.

### Auditor

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.

### Statement of disclosure to the 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.

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2017**

---

### Financial reporting, risk and internal controls

The company has outsourced the financial reporting function to HCP Management Services Limited ("HCP"). Authorities remain vested in the Board members of the company. HCP reports regularly to the Board of the company. The Board receives monthly reports from HCP which specifically summarise and address the financial, contractual and commercial risks that the company is exposed to, and are pertinent to the industry in which the company operates. The Board also receives monthly management accounts with explanations of variances from annual budgets and forecasts, which are in turn compared to the Financial Model, which represents the long term business plan of the company and outlines its ability to comply with its debt obligations and covenants. Material deviations from the business plan are investigated and reported on. Supporting this process, HCP evaluates its performance under the framework of an Internal Audit and Assessment programme which sits within its own Corporate Governance framework. This process ensures that the project remains robust and viable throughout the life of the contract.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. Accordingly no strategic report has been prepared.

On behalf of the board



Mr A Watson  
Director

20/07/17

# **ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2017**

---

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 judgements and estimates that are reasonable and prudent; and
- 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 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.

# **ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED**

---

We have audited the financial statements of Academy Services (Waltham Forest) (Holdings) Limited for the year ended 31 March 2017 set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is 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).

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

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

---

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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.



**Huw Brown (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

**Chartered Accountants**  
66 Queen Square  
Bristol  
BS1 4BE

21 July 2017



# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## STATEMENT OF TOTAL COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2017

---

	Notes	2017 £'000	2016 £'000
Interest receivable and similar income	6	943	961
Interest payable and similar expenses	7	(284)	(354)
		<hr/>	<hr/>
<b>Profit before taxation</b>		659	607
Taxation		-	-
		<hr/>	<hr/>
<b>Profit for the financial year</b>		659	607
Other comprehensive income for the year		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the year</b>		<u>659</u>	<u>607</u>

The Statement of Total Comprehensive Income has been prepared on the basis that all operations relate to continuing operations.

The accompanying notes on pages 9 to 13 form an integral part of these financial statements.

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £'000	2016 £'000
<b>Fixed assets</b>			
Investments	8	2,081	2,229
<b>Current assets</b>			
Debtors	9	28	34
<b>Creditors: amounts falling due within one year</b>	11	(158)	(182)
Net current liabilities		(130)	(148)
<b>Total assets less current liabilities</b>		1,951	2,081
<b>Creditors: amounts falling due after more than one year</b>	12	(1,951)	(2,081)
<b>Net assets</b>		-	-
<b>Capital and reserves</b>			
Called up share capital	13	-	-
Profit and loss reserves		-	-
<b>Total equity</b>		-	-

These 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 by the board of directors and authorised for issue on 26/07/17 and are signed on its behalf by:



Mr A Watson  
Director

Company Registration No. 04954337

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

---

	Notes	Share capital £'000	Profit and loss reserves £'000	Total £'000
<b>Balance at 1 April 2015</b>		-	-	-
		<hr/>	<hr/>	<hr/>
<b>Period ended 31 March 2016:</b>				
Profit and total comprehensive income for the year		-	607	607
Dividends		-	(607)	(607)
		<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2016</b>		-	-	-
		<hr/>	<hr/>	<hr/>
<b>Period ended 31 March 2017:</b>				
Profit and total comprehensive income for the year		-	659	659
Dividends		-	(659)	(659)
		<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2017</b>		-	-	-
		<hr/>	<hr/>	<hr/>

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2017**

---

### **1 Accounting policies**

#### **Company information**

Academy Services (Waltham Forest) (Holdings) Limited is a private company limited by shares incorporated, domiciled and registered in England and Wales, in the UK. The registered office is 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A - small entities. FRS 102 Section 1A - small entities, is effective for all small companies for periods commencing 1 January 2016. There were no material departures from that standard.

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 on the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The directors have reviewed a cash flow forecast covering the remainder of the subsidiary's, Academy Services (Waltham Forest) (Holdings) Limited, contract period and taking into account reasonable possible risks in operations and the fact the obligations of the subsidiary's sole customer are underwritten by the Secretary of State for Education, they believe that the company will be able to settle its liabilities as they fall due for the foreseeable future and therefore it is appropriate to prepare these financial statements on the going concern basis. The company has adequate resources to continue in its role as a holding company.

#### **1.3 Fixed asset investments**

##### **Investments in equity**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

##### **Investments in loans**

Investments in subordinated loans 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 transition, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

---

### 1 Accounting policies (Continued)

#### 1.4 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.

### 2 Judgements and key sources of estimation uncertainty

The directors feel that there are no significant judgements made, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

### 3 Auditor's remuneration

The audit fee is paid by the company's 100% subsidiary. The directors estimate the fee attributable to the company to be £3,000 (2016: £3,000).

### 4 Employees

The company had no employees during the year (2016: nil).

### 5 Directors' remuneration

The directors received no remuneration during the year (2016: £nil).

### 6 Interest receivable and similar income

	2017 £'000	2016 £'000
Dividends received	659	607
Interest on subordinated loans received from Academy Services (Waltham Forest) Limited	284	354
Total income	<u>943</u>	<u>961</u>

### 7 Interest payable and similar expenses

	2017 £'000	2016 £'000
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on subordinated loans	<u>284</u>	<u>354</u>

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 8 Fixed asset investments

	2017 £'000	2016 £'000
Investments	2,081	2,229

The company owns 100% of the 100 £1 Ordinary shares of Academy Services (Waltham Forest) Limited, which is incorporated in England and Wales. The registered office of Academy Services (Waltham Forest) Limited is 8 White Oak Square, London Road, Swanley, Kent BR8 7AG.

During the year the Company received dividends of £659,000 (2016: £607,000) from Academy Services (Waltham Forest) Limited.

#### Movements in fixed asset investments

	Subordinated loan £'000
<b>Cost</b>	
At 1 April 2016	2,229
Repayment of subordinated loan principal	(148)
At 31 March 2017	2,081
<b>Carrying amount</b>	
At 31 March 2017	2,081
At 31 March 2016	2,229

### 9 Debtors

	2017 £'000	2016 £'000
<b>Amounts falling due within one year:</b>		
Other debtors	28	34

All financial assets above are held at amortised cost.

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 10 Loans and overdrafts

	2017 £'000	2016 £'000
Subordinated loans	2,081	2,229
Payable within one year	130	148
Payable after one year	1,951	2,081

Included in the amount above is £1,405,000 (2015: £1,549,000) which is repayable by instalments falling due after more than five years.

All financial liabilities above are held at amortised cost.

### 11 Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Subordinated loans	130	148
Other creditors	28	34
	158	182

### 12 Creditors: amounts falling due after more than one year

	2017 £'000	2016 £'000
Subordinated loans	1,951	2,081

The unsecured subordinated 13% loan stock is held by the company's shareholder. The amounts are repayable in 56 semi-annual instalments commencing in September 2006. Interest charges on amounts drawn are fixed at 13% per annum.

Included in the amount above is £1,405,000 (2015: £1,549,000) which is repayable by instalments falling due after more than five years.

All financial liabilities above are held at amortised cost.

### 13 Share capital

	2017 £	2016 £
Ordinary share capital issued and fully paid		
100 Ordinary of £1 each	100	100

# ACADEMY SERVICES (WALTHAM FOREST) (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 14 Related party transactions

#### Transactions with related parties

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

	Interest recieved on loan stock		Interest paid on loan stock	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Innisfree Nominees Limited	-	-	284	354
Academy Services (Waltham Forest) Limited	284	354	-	-
	<u>284</u>	<u>354</u>	<u>284</u>	<u>354</u>

### 15 Controlling party

The company is a wholly owned subsidiary undertaking of Innisfree Nominees Limited acting in its capacity as nominee for Innisfree PFI Secondary Fund. Innisfree Nominees Limited is incorporated in the United Kingdom. The registered office of Innisfree PFI Secondary Fund is 1st Floor Boundary House, 91-93 Charterhouse Street, London, EC1M 6HR. The accounts of the holding company are not consolidated in the accounts of any other entity.