
SENAD INVESTMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2013

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COMPANIES HOUSE

SENAD INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	B Jones JR Atkinson N Chamdia AM Collins O Al-Marwani (appointed 1 April 2013) Dr MB Flynn (appointed 1 April 2014) AAM Al-Dabbagh (resigned 13 June 2013) A Al Sayed (resigned 1 April 2013)
Company secretary	JR Atkinson
Registered number	05843085
Registered office	1 St George's House Vernon Gate Derby DE1 1UQ
Independent auditor	KPMG LLP Chartered Accountants St Nicholas House Park Row Nottingham NG1 6FQ
Bankers	HSBC Bank PLC Corporate Service Team 2nd Floor, 62-76 Park Street Southwark London SE1 9DZ
Solicitors	Marriott Harrison Staple Court 11 Staple Inn Building London WC1V 7QH

SENAD INVESTMENTS LIMITED

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SENAD INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2013

The directors present their report and the financial statements for the year ended 31 August 2013

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the company is that of an intermediate holding company.

Results and dividends

The results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

Senad Group Limited, the company's ultimate parent company, manages its operations on a divisional basis. For this reason, the company's directors believe key performance indicators for the company are not necessary for an understanding of the development, performance or position of the business. The performance of the company is discussed in the ultimate parent company's directors' report, which does not form part of this report.

No dividends were received during the year (2012 - £NIL)

No dividends were paid during the year (2012 - £NIL)

SENAD INVESTMENTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2013**

Directors

The directors who served during the year were

B Jones
JR Atkinson
N Chamdia
AM Collins
O Al-Marwani (appointed 1 April 2013)
AAM Al-Dabbagh (resigned 13 June 2013)
A Al Sayed (resigned 1 April 2013)

Disclosure of information to auditor

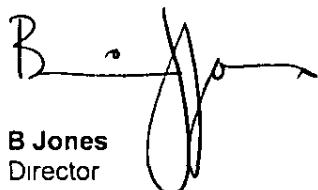
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that 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 auditor is aware of that information

Auditor

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 30 April 2014 and signed on its behalf


B Jones
Director

SENAD INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SENAD INVESTMENTS LIMITED

We have audited the financial statements of Senad Investments Limited for the year ended 31 August 2013, set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, 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 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.

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 August 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

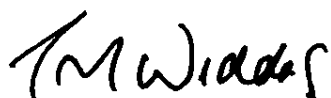
SENAD INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SENAD INVESTMENTS 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



Tim Widdas (Senior statutory auditor)

for and on behalf of

KPMG LLP

Chartered Accountants

St Nicholas House

Park Row

Nottingham

NG1 6FQ

30 April 2014

SENAD INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2013

	Note	2013 £000	2012 £000
Administrative expenses		(1,884)	(1,941)
Operating loss	2	(1,884)	(1,941)
Interest payable and similar charges	6	(1,852)	(2,647)
Loss on ordinary activities before taxation		(3,736)	(4,588)
Tax on loss on ordinary activities	7	234	473
Loss for the financial year	14	(3,502)	(4,115)

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account

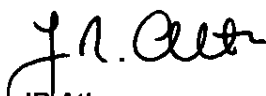
The notes on pages 7 to 15 form part of these financial statements

SENAD INVESTMENTS LIMITED
REGISTERED NUMBER. 05843085

BALANCE SHEET
AS AT 31 AUGUST 2013

	Note	£000	2013 £000	£000	2012 £000
Fixed assets					
Tangible assets	8		395		528
Investments	9		37,919		37,919
			<u>38,314</u>		<u>38,447</u>
Current assets					
Debtors	10	5,958		7,180	
Creditors amounts falling due within one year	11	<u>(7,622)</u>		<u>(5,475)</u>	
Net current (liabilities)/assets			<u>(1,664)</u>		<u>1,705</u>
Total assets less current liabilities			<u>36,650</u>		<u>40,152</u>
Creditors , amounts falling due after more than one year	12		<u>(40,000)</u>		<u>(40,000)</u>
Net (liabilities)/assets			<u><u>(3,350)</u></u>		<u><u>152</u></u>
Capital and reserves					
Called up share capital	13		1		1
Share premium account	14		85,880		85,880
Profit and loss account	14		<u>(89,231)</u>		<u>(85,729)</u>
Shareholders' (deficit)/funds	15		<u><u>(3,350)</u></u>		<u><u>152</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 April 2014


JR Atkinson
 Director

The notes on pages 7 to 15 form part of these financial statements

SENAD INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 CASH FLOW

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	over the life of the lease
Motor vehicles	-	25% straight line
Fixtures & fittings	-	15% straight line
Office equipment	-	15% straight line
Computer equipment	-	25% straight line

1.4 INVESTMENTS

The cost of investment is the purchase cost together with any incremental costs of acquisition. Provision is made against the costs of investments where, in the opinion of the directors, there is an impairment in the value of the individual investments.

1.5 OPERATING LEASES

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.6 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

SENAD INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

1 ACCOUNTING POLICIES (continued)

1.7 GOING CONCERN

The financial statements are prepared on a going concern basis, notwithstanding net current liabilities of £1,664,000 (2012 - *Net current assets of £1,705,000*) and net liabilities of £3,350,000 (2012 - *Net assets of £152,000*), which the directors believe to be appropriate for the reasons set out below

The company is dependant on debt and associated accrued interest due to the ultimate controlling party not being called upon in order to meet its cash flow requirements over the next twelve months. The ultimate controlling party has indicated that they will not seek repayment of these debts within twelve months of signing these financial statements, unless the cash position of the companies affected supports this. However, as with any company placing reliance on its parent/group for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

1.8 RELATED PARTY TRANSACTIONS

As the company is a wholly owned subsidiary, the company has taken advantage of the exemption contained with FRS 8 'Related party disclosures' and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Senad Group Limited, within which the company is included, can be obtained from the address given in note 20.

1.9 DIVIDENDS ON SHARES PRESENTED WITHIN SHAREHOLDER'S FUNDS

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 OPERATING LOSS

The operating loss is stated after charging

	2013 £000	2012 £000
Depreciation of tangible fixed assets		
- owned by the company	173	137
Operating lease rentals		
- plant and machinery	18	16
- other operating leases	42	42
	<u>233</u>	<u>295</u>

SENAD INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

3. AUDITORS' REMUNERATION

	2013	2012
	£000	£000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	10	10
Fees payable to the company's auditor and its associates in respect of		
Taxation compliance services	2	2
	<u>12</u>	<u>12</u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2013	2012
	£000	£000
Wages and salaries	1,124	1,086
Social security costs	119	116
Other pension costs	53	40
	<u>1,296</u>	<u>1,242</u>

The average monthly number of employees, including the directors, during the year was as follows

	2013	2012
	No	No
Administrative	24	23
	<u>24</u>	<u>23</u>

5 DIRECTORS' REMUNERATION

	2013	2012
	£000	£000
Remuneration	403	335
	<u>403</u>	<u>335</u>
Company pension contributions to defined contribution pension schemes	27	21
	<u>27</u>	<u>21</u>
Compensation for loss of office	-	16
	<u>-</u>	<u>16</u>

During the year retirement benefits were accruing to 2 directors (2012 - 2) in respect of defined contribution pension schemes

The highest paid director received remuneration of £136,000 (2012 - £125,000)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £17,000 (2012 - £12,000)

SENAD INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

6 INTEREST PAYABLE

	2013	2012
	£000	£000
On loans from ultimate controlling party	1,852	2,647

7. TAXATION

	2013	2012
	£000	£000
UK corporation tax credit on loss for the year	(234)	(473)

FACTORS AFFECTING TAX (CREDIT)/CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 23.58% (2012 - 25.16%). The differences are explained below

	2013	2012
	£000	£000
Loss on ordinary activities before tax	(3,736)	(4,588)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.58% (2012 - 25.16%)	(881)	(1,154)

EFFECTS OF:

Expenses not deductible for tax purposes	-	41
Depreciation in excess of capital allowances	16	-
Depreciation on non-qualifying expenditure	1	1
Transfer pricing adjustment	630	639

CURRENT TAX CREDIT FOR THE YEAR (see note above)	(234)	(473)
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FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

SENAD INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

7. TAXATION (continued)

DEFERRED TAX

The company has an unrecognised deferred tax asset of £56,000 (2012 - £46,000) which has not been recognised. The amounts not recognised are as set out below:

	2013 £000	2012 £000
Fixed asset timing differences	23	9
Losses and other deductions	33	37
	<u>56</u>	<u>46</u>

8. TANGIBLE FIXED ASSETS

	S/Term Leasehold Property £000	Motor vehicles £000	Fixtures & fittings £000	Other fixed assets £000	Total £000
COST					
At 1 September 2012	60	129	22	671	882
Additions	-	56	-	23	79
Disposals	-	(64)	-	-	(64)
At 31 August 2013	<u>60</u>	<u>121</u>	<u>22</u>	<u>694</u>	<u>897</u>
DEPRECIATION					
At 1 September 2012	38	29	13	274	354
Charge for the year	7	32	3	131	173
On disposals	-	(25)	-	-	(25)
At 31 August 2013	<u>45</u>	<u>36</u>	<u>16</u>	<u>405</u>	<u>502</u>
NET BOOK VALUE					
At 31 August 2013	<u>15</u>	<u>85</u>	<u>6</u>	<u>289</u>	<u>395</u>
At 31 August 2012	<u>22</u>	<u>100</u>	<u>9</u>	<u>397</u>	<u>528</u>

SENAD INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

9 FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000	Loans to subsidiaries £000	Total £000
COST OR VALUATION			
At 1 September 2012 and 31 August 2013	42,303	17,000	59,303
IMPAIRMENT			
At 1 September 2012 and 31 August 2013	21,384	-	21,384
NET BOOK VALUE			
At 31 August 2013	20,919	17,000	37,919
At 31 August 2012	20,919	17,000	37,919

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company

Name	Nature of holding	Holding
The Senad Group Limited	Direct	100 %
Senad Holdings Limited	Direct	100 %
Principal Care Services Limited	Indirect	100 %
Tem Valley Investments Limited	Indirect	100 %
Hanson Line Limited	Indirect	100 %
Senad Limited	Indirect	100 %
Tregynon Hall Limited	Indirect	100 %
Winslow Court Limited	Indirect	100 %
Aran Hall School Limited	Indirect	100 %
Orchard School Limited	Indirect	100 %
Rowden House School Limited	Indirect	100 %
Orchard School Properties Limited	Indirect	100 %

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

10. DEBTORS

	2013 £000	2012 £000
Amounts owed by group undertakings	5,909	7,110
Prepayments and accrued income	49	70
	<u>5,958</u>	<u>7,180</u>

SENAD INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

**11 CREDITORS
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013	2012
	£000	£000
Bank overdraft	5,160	4,787
Trade creditors	20	57
Accruals and deferred income	2,442	631
	<u>7,622</u>	<u>5,475</u>

**12 CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2013	2012
	£000	£000
Amounts owed to ultimate controlling party	<u>40,000</u>	<u>40,000</u>

Included within the above are amounts falling due as follows

	2013	2012
	£000	£000
Amounts owed to ultimate controlling party		
Due between one and five years	<u>40,000</u>	<u>40,000</u>

The loan due to the ultimate controlling party is secured against properties owned by the Senad Group Limited group

The rate of interest on the ultimate controlling party loan is LIBOR plus 3.5% margin

During the prior year, the holder of the loan agreed to reduce the loan by £25 million with the consideration being the issue of equity by the company

13. SHARE CAPITAL

	2013	2012
	£000	£000
ALLOTTED, CALLED UP AND FULLY PAID		
110,000 ordinary shares of £0.01 each	<u>1</u>	<u>1</u>

During the prior year the company issued 10,000 ordinary 1p shares at a premium of £24,999,900 as part of the recapitalisation of the Senad Group. The shares were issued in consideration for the transfer of debt (owed to the company's ultimate controlling party) to the company's immediate parent undertaking, Senad Group Limited (see note 12)

SENAD INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

14 RESERVES

	Share premium account £000	Profit and loss account £000
At 1 September 2012	85,880	(85,729)
Loss for the financial year	-	(3,502)
At 31 August 2013	<u>85,880</u>	<u>(89,231)</u>

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' (DEFICIT)/FUNDS

	2013 £000	2012 £000
Opening shareholders' funds/(deficit)	152	(20,733)
Loss for the financial year	(3,502)	(4,115)
Premium on shares issued during the year	-	25,000
Closing shareholders' (deficit)/funds	<u>(3,350)</u>	<u>152</u>

16 CONTINGENT LIABILITIES

Cross guarantees are in place in relation to the loan with Qatar Holdings LLC of £40 million (2012 - £40 million). In addition the company is subject to a charge to Qatar Holdings LLC over all property and other assets held and all monies due or to become due

17 PENSION COMMITMENTS

The company contributes to a number of defined contribution pension schemes. The pension charge for the year represents contributions payable by the company to the schemes and amounted to £53,000 (2012 £40,000)

There were no contributions outstanding at the end of the year (2012 - £NIL)

18. OPERATING LEASE COMMITMENTS

At 31 August 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2013 £000	2012 £000	2013 £000	Other 2012 £000
EXPIRY DATE.				
Between 2 and 5 years	<u>41</u>	<u>41</u>	<u>18</u>	<u>13</u>

SENAD INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

19. RELATED PARTY TRANSACTIONS

At the year end a sum of £40 million (2012 - £40 million) was due from the company to the ultimate controlling party. These monies are repayable in accordance with the loan repayment profile detailed in note 12. During the year interest of £1.9 million (2012 - £2.6 million) was payable in respect of the loan.

20. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The largest group in which the results of the company are consolidated is that headed by Senad Group Limited, a company incorporated in the Isle of Man and the ultimate parent company. The consolidated financial statements of Senad Group Limited may be obtained from Senad Group Limited, 33-37 Athol Street, Douglas, Isle of Man, IM1 1LB.

By Declaration of Trust dated 27 June 2008, Garbara Limited, the shareholder of Senad Group Limited, is The Nominee for the Beneficial Owner, and ultimate controlling party, the Qatar Investment Authority.