

Company Registration No. 05358400 (England and Wales)

**TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE
LIMITED**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

COMPANY INFORMATION

Directors	Mr D J Brooking Miss K O'Brien Mr C James Mr G Pearce
Secretary	Vercity Social Infrastructure (UK) Limited
Company number	05358400
Registered office	8 White Oak Square London Road Swanley Kent BR8 7AG
Auditor	BDO LLP 55 Baker Street London W1U 7EU

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

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TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and audited financial statements for the year ended 31 December 2020.

Principal activities

The Company's principal activity is an investment Company. It holds one ordinary share in Transform Schools (North Lanarkshire) Funding plc; a company that finances a Private Finance Initiative concession contract.

The Company was dormant during the current and previous year, accordingly no Key Performance Indicators have been reported.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. (2019: nil). The directors do not recommend payment of a final dividend.

Directors

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

Mr D J Brooking

Miss K O'Brien

Mr R Gillespie

(Resigned 15 March 2021)

Mr C James

Mr G Pearce

(Appointed 15 March 2021)

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies in the notes to the financial statements.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Future developments

The directors are not aware, at the date of this report, of any major changes in the company's activities in the next year.

Auditor

BDO LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

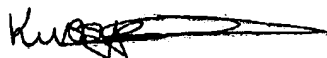
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

On behalf of the board



Miss K O'Brien

Director

28 June 2021

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing the annual 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

Opinion on the 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 December 2020 and of its result 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.

We have audited the financial statements of Transform Schools (North Lanarkshire) Intermediate Limited ("the Company") for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for 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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

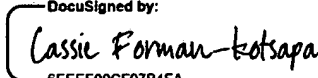
Audit procedures performed by the engagement team included the evaluation of management's controls designed to prevent and detect irregularities.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

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Cassie Forman-Kotsapa (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
29 June 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	£	£
Profit before taxation	-	-
Tax on profit	-	-
Profit for the financial year	<u>-</u>	<u>-</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

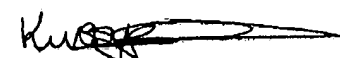
BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	Restated £	£
Fixed assets					
Investments	5		1		1
Current assets					
Debtors	7	2		2	
Creditors: amounts falling due within one year	8	(1)		(1)	
Net current assets			1		1
Total assets less current liabilities			2		2
Capital and reserves					
Called up share capital	9		2		2

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 28 June 2021 and are signed on its behalf by:



Miss K O'Brien
Director

Company Registration No. 05358400

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital Restated £
Balance at 1 January 2019	2
Year ended 31 December 2019:	
Profit and total comprehensive income for the year	-
	<hr/>
Balance at 31 December 2019	2
Year ended 31 December 2020:	
Profit and total comprehensive income for the year	-
	<hr/>
Balance at 31 December 2020	<hr/> <hr/> 2

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Transform Schools (North Lanarkshire) Intermediate Limited is a private company limited by shares incorporated in England and Wales. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Transform Schools (North Lanarkshire) Holdings Limited. Copies of the consolidated accounts are available from Companies House.

1.2 Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

As the principal activity of the Company is to hold an investment in Transform Schools (North Lanarkshire) Funding plc, the Directors are not expecting any transactions for the foreseeable future that will impact the Shareholder's Funds. The Directors therefore 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.

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.3 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.

Basic financial assets

Basic financial assets, which include debtors, 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 transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.4 Fixed asset investments

Investments are stated at cost less impairment. The carrying value of this investment is reviewed annual by the Directors to determine whether there has been any impairment to its value.

2 Auditor's remuneration

	2020	2019
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	1,000	1,000
	<u> </u>	<u> </u>

The auditor's remuneration was borne by Transform Schools (North Lanarkshire) Limited.

3 Employees

The company had no employees during the year (2019: nil).

4 Directors' remuneration

No directors received any remuneration for services to the company during the year (2019: nil).

5 Fixed asset investments

		2020	2019
	Notes	£	Restated £
Investments in subsidiaries	6	1	1
		<u> </u>	<u> </u>

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings Restated £
Cost or valuation	
At 1 January 2020 & 31 December 2020	1
Carrying amount	
At 31 December 2020	1
At 31 December 2019	1

6 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Transform Schools (North Lanarkshire) Funding Plc	Great Britain	Financing Company	Ordinary shares	0.002%

7 Debtors

	2020	2019 Restated
	£	£
Amounts falling due within one year:		
Amounts due from subsidiary undertakings	2	-
Amounts due from subsidiary undertakings	-	2
	2	2

8 Creditors: amounts falling due within one year

	2020	2019 Restated
	£	£
Amounts owed to parent undertaking	1	1
	1	1

TRANSFORM SCHOOLS (NORTH LANARKSHIRE) INTERMEDIATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Share capital

	2020	2019	2020	2019
	Number	Number	£	Restated £
Ordinary share capital				
Issued and unpaid				
ordinary shares of £1 each	2	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Other reserves

The Company's other reserves are as follows:

The profit and loss account represents cumulative profits or losses.

10 Related party transactions

In 2005, the company issued two shares to Transform Schools (North Lanarkshire) Holdings Limited. No cash was received during the year for these shares, as a result a debtor for £2 exists at 31 December 2020 (2019: £2). In 2005, the Company also purchased one share for £1 in Transform Schools (North Lanarkshire) Funding plc. No cash was paid during the year for this investment, as a result a creditor for £1 exists at 31 December 2020 (2019: £1).

Other than the above, no other related party transactions occurred during either the current year or preceding year.

11 Ultimate controlling party

The ultimate parent undertakings of Transform Schools (North Lanarkshire) Intermediate Ltd (registered office 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG) are Equitix Education 2 (registered office 10-11 Charterhouse Square, London, EC1M 6EH) and two limited partnerships, Innisfree PFI Secondary Fund (registered office 1st Floor, Boundary House, 91-93 Charterhouse Street, London, United Kingdom, EC1M 6HR) and Innisfree PFI Secondary Fund 2 LP (registered office 1st Floor, Boundary House, 91-93 Charterhouse Street, London, United Kingdom, EC1M 6HR), managed by Innisfree Limited. (registered office 1st Floor, Boundary House, 91-93 Charterhouse Street, London, United Kingdom, EC1M 6HR). The Company has no ultimate controlling party.

12 Prior Year Adjustment

In the financial statements for the year end 31 December 2019, the balance sheet as at 31 December 2018 and 2019 and the equivalent notes to the financial statements incorrectly stated all assets, liabilities and equity amounts as being denominated to the nearest thousand GBP, when the amounts should have been denominated to the nearest GBP. The following restatements are therefore noted for balance sheet at 31 December 2019:

	As previously stated	Restated
Investments	£1,000	£1
Debtors	£2,000	£2
Creditors falling due within one year	(£1,000)	(£1)
Called up share capital	(£2,000)	(£2)

The restatement has no impact on the statement of comprehensive income, but the statement of changes in equity has been restated to correct the denomination also.