

COMPANY REGISTRATION NUMBER: SC209010

Robertson Education (Aberdeenshire) Holdings Limited
Annual Report and Financial Statements
31 December 2015



Robertson Education (Aberdeenshire) Holdings Limited

Annual Report and Financial Statements

Year Ended 31 December 2015

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Robertson Education (Aberdeenshire) Holdings Limited

Officers and Professional Advisers

The board of directors	John Cavill (Appointed 25 January 2016) BIIF Corporate Services Limited (Resigned 25 January 2016) David Gilmour
Company secretary	Infrastructure Managers Limited
Registered office	2nd Floor 11 Thistle Street Edinburgh EH2 1DF
Auditor	PricewaterhouseCoopers LLP Chartered Accountants & Statutory Auditors Level 4 Atria One 144 Morrison Street Edinburgh EH3 8EX
Bankers	Bank of Scotland 155 Bishopsgate London EC2M 3UB
Solicitors	Maclay Murray & Spens LLP Quatermile One 15 Lauriston Place Edinburgh EH3 9EP

Robertson Education (Aberdeenshire) Holdings Limited

Directors' Report

Year Ended 31 December 2015

The directors present their report and the financial statements of the company for the year ended 31 December 2015.

Principal Activities

The company acts as a holding company to Robertson Education (Aberdeenshire) Limited.

Performance Review

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2014. The accounts for both years are presented under FRS 102, the adjustments to the prior year reported financial position and financial performance are given in note 20.

The profit for the year, after taxation, amounted to £494,416 (2014: £1,091,450).

The profit for the year will be transferred to reserves.

The directors are satisfied with the overall performance of the Company and do not foresee any significant change in the Company's activities in the coming financial year.

Key performance indicators

The performance of the Company from a cash perspective is assessed six monthly by the testing of the covenants of the senior debt provider. The key indicator being the debt service cover ratio. The Company has been performing well and has been compliant with the covenants laid out in the group loan agreement.

Directors'

The directors who served the company during the year and up to the date of this report were as follows:

David Gilmour

John Cavill (Appointed 25 January 2016)

BIIF Corporate Services Limited (Resigned 25 January 2016)

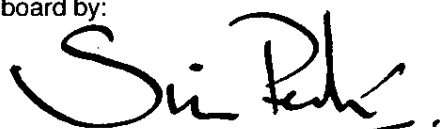
Dividends

Particulars of dividends paid are detailed in note 10 to the financial statements.

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 29/04/2016 and signed on behalf of the board by:



Infrastructure Managers Limited

Company Secretary

Robertson Education (Aberdeenshire) Holdings Limited

Directors' Responsibilities Statement

Year Ended 31 December 2015

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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

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 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 United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

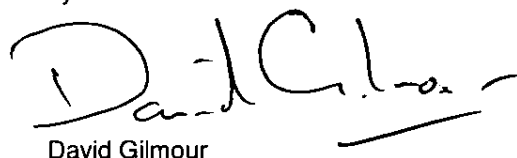
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The Directors' Responsibilities were approved by the board on ~~29/04/2016~~ and signed on its behalf by:



David Gilmour

Director

Robertson Education (Aberdeenshire) Holdings Limited

Independent Auditors' Report to the Members of Robertson Education (Aberdeenshire) Holdings Limited

Year Ended 31 December 2015

Our Opinion

In our opinion, Robertson Education (Aberdeenshire) Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit 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.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2015;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the Notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We are Required to Report by Exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Robertson Education (Aberdeenshire) Holdings Limited

Independent Auditors' Report to the Members of Robertson Education (Aberdeenshire) Holdings Limited *(continued)*

Year Ended 31 December 2015

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Respective Responsibilities of Directors and Auditor

Our responsibilities and those of the directors

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the Audit of the Financial Statements

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

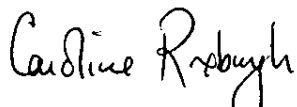
We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

Robertson Education (Aberdeenshire) Holdings Limited

Independent Auditors' Report to the Members of Robertson Education (Aberdeenshire) Holdings Limited *(continued)*

Year Ended 31 December 2015

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Caroline Roxburgh (Senior Statutory Auditor)

For and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants & Statutory Auditors
Edinburgh

29 April 2016

Robertson Education (Aberdeenshire) Holdings Limited

Statement of Comprehensive Income

Year Ended 31 December 2015

	Note	2015 £	2014 £
Income from shares in group undertakings	6	494,416	1,091,450
Other interest receivable and similar income	7	295,500	295,500
Interest payable and similar charges	8	(295,500)	(295,500)
Profit on ordinary activities before taxation		494,416	1,091,450
Tax on profit on ordinary activities	9	—	—
Profit for the financial year and total comprehensive income		494,416	1,091,450

All the activities of the company are from continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

Robertson Education (Aberdeenshire) Holdings Limited

Statement of Financial Position

As at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Investments	11	100,000	100,000
Current assets			
Debtors: due within one year	12	62,324	62,324
Debtors: due after more than one year	12	2,110,238	2,110,238
		<u>2,172,562</u>	<u>2,172,562</u>
Creditors: amounts falling due within one year	13	<u>(62,324)</u>	<u>(62,324)</u>
Net current assets		<u>2,110,238</u>	<u>2,110,238</u>
Total assets less current liabilities		<u>2,210,238</u>	<u>2,210,238</u>
Creditors: amounts falling due after more than one year	14	<u>(2,110,238)</u>	<u>(2,110,238)</u>
Net assets		<u>100,000</u>	<u>100,000</u>
Capital and reserves			
Called up share capital	15	1,000	1,000
Share premium account	16	99,000	99,000
Retained earnings	16	—	—
Shareholders' funds		<u>100,000</u>	<u>100,000</u>

These financial statements were approved by the board of directors and authorised for issue on ~~29/04/2016~~ and are signed on behalf of the board by:



David Gilmour

Company registration number: SC209010

The notes on pages 10 to 15 form part of these financial statements.

Robertson Education (Aberdeenshire) Holdings Limited

Statement of Changes in Equity

Year Ended 31 December 2015

		Called up share capital £	Share premium account £	Retained earnings £	Total £
At 1 January 2014		1,000	99,000	–	100,000
Profit for the year		—	—	1,091,450	1,091,450
Total comprehensive income for the year		—	—	1,091,450	1,091,450
Dividends paid and payable	10	—	—	(1,091,450)	(1,091,450)
Total investments by and distributions to owners		—	—	(1,091,450)	(1,091,450)
At 31 December 2014		1,000	99,000	–	100,000
Profit for the year		—	—	494,416	494,416
Total comprehensive income for the year		—	—	494,416	494,416
Dividends paid and payable	10	—	—	(494,416)	(494,416)
Total investments by and distributions to owners		—	—	(494,416)	(494,416)
At 31 December 2015		<u>1,000</u>	<u>99,000</u>	<u>—</u>	<u>100,000</u>

The notes on pages 10 to 15 form part of these financial statements.

Robertson Education (Aberdeenshire) Holdings Limited

Notes to the Financial Statements

Year Ended 31 December 2015

1. Statement of compliance

The individual financial statements of Robertson Education (Aberdeenshire) Holdings Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

2. General information

Robertson Education (Aberdeenshire) Holdings Limited ('the company') is incorporated and domiciled in the UK. The address of its registered office is 2nd Floor, 11 Thistle Street, EH2 1DF.

The company acts as a holding company to Robertson Education (Aberdeenshire) Limited.

The company's functional and presentation currency is the pound sterling.

3. Accounting policies

(a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed further in the accounting policies.

The accounting policies stated below have been consistently applied to the years presented, unless otherwise stated.

(b) Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 20.

(c) Disclosure exemptions

The company has taken advantage of the exemption in FRS 102 Section 7 'Statement of Cash Flows' part 1B, which states that a small company is not required to prepare a cash flow statement.

Robertson Education (Aberdeenshire) Holdings Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2015

3. Accounting policies *(continued)*

(d) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty are as follows:

i) Impairment of assets

The carrying value of those assets recorded in the Company's balance sheet, at amortised cost, could be materially reduced where circumstances exist which might indicate that an asset has been impaired and an impairment review is performed. Impairment reviews consider the fair value and or value in use of the potentially impaired asset or assets and compares that with the carrying value of the asset or assets in the balance sheet. Any reduction in value arising from such a review would be recorded in the statement of comprehensive income. Impairment reviews involve the significant use of assumptions. Consideration has to be given as to the price that could be obtained for the asset or assets, or in relation to a consideration of value in use, estimates of the future cash flows that could be generated by the potentially impaired asset or assets, together with a consideration of an appropriate discount rate to apply to those cash flows.

(e) Income tax

Taxation expense for the period comprises current tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current taxation assets and liabilities are not discounted.

i) Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(f) Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Robertson Education (Aberdeenshire) Holdings Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2015

4. Auditors' remuneration

The audit fee of £2,074 (2014: £1,839) was borne by the subsidiary company Robertson Education (Aberdeenshire) Limited.

5. Particulars of employees and directors

The average number of persons employed by the company during the financial year, including the directors, amounted to nil (2014: nil). The directors did not receive any remuneration from the Company during the year (2014: £nil).

6. Income from shares in group undertakings

	2015 £	2014 £
Income from group undertakings	<u>494,416</u>	<u>1,091,450</u>

7. Other interest receivable and similar income

	2015 £	2014 £
Interest from group undertakings	<u>295,500</u>	<u>295,500</u>

8. Interest payable and similar charges

	2015 £	2014 £
Interest due to group undertakings	<u>295,500</u>	<u>295,500</u>

9. Tax on profit on ordinary activities

Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the year is lower than (2014: lower than) the standard rate of corporation tax in the UK of 20.25% (2014: 21.49%).

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>494,416</u>	<u>1,091,450</u>
Profit on ordinary activities by rate of tax	<u>100,102</u>	<u>234,587</u>
Non taxable income	<u>(100,102)</u>	<u>(234,587)</u>
Tax on profit on ordinary activities	<u>—</u>	<u>—</u>

10. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2015 £	2014 £
Interim dividend of £4.94 (2014: £10.91) per ordinary share	<u>494,416</u>	<u>1,091,450</u>

Robertson Education (Aberdeenshire) Holdings Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2015

11. Investments

	Shares in group undertakings £
Cost	
At 1 Jan 2015 and 31 Dec 2015	<u>100,000</u>
Impairment	
At 1 Jan 2015 and 31 Dec 2015	<u>-</u>
Carrying amount	
At 31 December 2015	<u>100,000</u>

Subsidiaries, associates and other investments

The company owns 100% of the issued share capital of Robertson Education (Aberdeenshire) Limited.

	2015 £	2014 £
Aggregate capital and reserves	(1,342,432)	(1,800,094)
Profit for the year	577,471	422,598

The Company owns 100% of the ordinary share capital of Robertson Education (Aberdeenshire) Limited, a company registered in Scotland. The principal activity of this company is the design, build, finance, operation and maintenance of new schools in Aberdeenshire for Aberdeenshire Council under the Governments Private Finance Initiative scheme.

The directors acknowledge the investment is in net liabilities, the cause of this is due to the derivative financial instruments being brought onto the balance sheet. The directors have reviewed the investments forecasts and projections and have reasonable expectation that no impairment indicators exist, the investment will continue in operational existence for the foreseeable future, and therefore there are no concerns with the carrying value of the investment.

12. Debtors

Debtors falling due within one year are as follows:

	2015 £	2014 £
Amounts owed by group undertakings	<u>62,324</u>	<u>62,324</u>

Debtors falling due after one year are as follows:

	2015 £	2014 £
Amounts owed by group undertakings	<u>2,110,238</u>	<u>2,110,238</u>

Robertson Education (Aberdeenshire) Holdings Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2015

12. Debtors *(continued)*

The amounts owed by group undertakings due within one year are trading balances, are not interest bearing and are repayable on demand.

Between March 2001 and June 2002 Robertson Education (Aberdeenshire) Limited issued a total of £1,900,000 in Coupon Bearing Investment Sums to the company. The investment bears a Coupon of 14 per cent per annum, and payment of capital falls due in the year 2025. Robertson Education (Aberdeenshire) Limited capitalised an additional £210,238 in relation to interest during the construction phase which has been added to the loan principal. The Coupon on the principal amount accrues daily and is payable in cash on 15 January, 15 April, 15 July and 15 October each year. The investment sum was advanced under a subordinated loan agreement and is therefore unsecured, and would rank alongside ordinary creditors in the event of a winding up.

13. Creditors: amounts falling due within one year

	2015	2014
	£	£
Amounts owed to group undertakings	<u>62,324</u>	<u>62,324</u>

The amounts owed to group undertakings are trading balances, are not interest bearing and are repayable on demand.

14. Creditors: amounts falling due after more than one year

	2015	2014
	£	£
Amounts owed to group undertakings	<u>2,110,238</u>	<u>2,110,238</u>

Between March 2001 and June 2002 the Company issued a total of £1,900,000 in Coupon Bearing Investment Sums. The investment provided by Robertson Education (Aberdeenshire) Group Holdings Limited bears a Coupon of 14 per cent per annum, and payment of capital falls due in the year 2025. The company capitalised an additional £210,238 in relation to interest during the construction phase which has been added to the loan principal. The Coupon on the principal amount accrues daily and is payable in cash on 15 January, 15 April, 15 July and 15 October each year. The investment sum was advanced under a subordinated loan agreement and is therefore unsecured, and would rank alongside ordinary creditors in the event of a winding up.

15. Called up share capital

Authorised share capital

	2015		2014	
	No	£	No	£
Ordinary shares of £0.01 each	<u>100,000</u>	<u>1,000</u>	<u>100,000</u>	<u>-</u>

Robertson Education (Aberdeenshire) Holdings Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2015

15. Called up share capital *(continued)*

Issued, called up and fully paid

	2015		2014	
	No	£	No	£
Ordinary shares of £0.01 each	<u>100,000</u>	<u>1,000</u>	<u>100,000</u>	<u>–</u>

16. Reserves

Profit and Loss Account - this reserve records retained earnings and accumulated losses.

17. Contingencies

The company has granted a guarantee supported by a debenture incorporating fixed and floating charges over its assets and undertakings, in security of its wholly owned subsidiary's term loan from Bank of Scotland.

18. Related party transactions

The company is wholly owned by Robertson Education (Aberdeenshire) Group Holdings Limited and has taken advantage of the exemption in section 33 of FRS 102 'Related Party Disclosures', that allows it not to disclose transactions with wholly owned members of a group.

19. Controlling party

The immediate parent undertaking is Robertson Education (Aberdeenshire) Group Holdings Limited.

The intermediate parent undertaking is BIIF Holdco Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of BIIF Holdco Limited consolidated financial statements can be obtained from the Company Secretary at Cannon Place, 78 Cannon Street, London, EC4N 6AF.

The ultimate parent and controlling party is BIIF L.P. BIIF L.P. is owned by a number of investors with no one investor having individual control. The immediate parent undertaking is Robertson Education (Aberdeenshire) Group Holdings Limited.

20. Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under previous UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. The change in accounting policies between UK GAAP as previously reported and FRS 102 have resulted in no adjustment to profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014.