

**REGISTERED NUMBER: 04958862 (England and Wales)**

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013  
FOR  
BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED**

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**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

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for the Year Ended 31 December 2013**

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**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED**

**COMPANY INFORMATION  
for the Year Ended 31 December 2013**

**DIRECTORS:**

R Laing  
J R Taylor  
R G E Williams  
J E Keyte  
M Dyer  
Dr A Pursey  
S J Barnes

**SECRETARY:**

R G E Williams

**REGISTERED OFFICE:**

5 The Triangle  
Wildwood Drive  
Worcester  
Worcestershire  
WR5 2QX

**REGISTERED NUMBER:**

04958862 (England and Wales)

**AUDITORS:**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cornwall Court  
19 Cornwall Street  
Birmingham  
West Midlands  
B3 2DT

**BIRMINGHAM AND SOLIHULL LIFT (FUNDCO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**REPORT OF THE DIRECTORS  
for the Year Ended 31 December 2013**

The directors present their report with the audited financial statements of the company for the year ended 31 December 2013

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of managing its portfolio of properties in the Birmingham and Solihull area as part of the government sponsored Local Improvement Finance Trust (LIFT) initiative

**REVIEW OF BUSINESS**

The company invests in primary healthcare infrastructure in the Birmingham and Solihull area

The company has benefitted from an uplift on rental income in the year, which accounts for the increase in turnover 2013 saw an increase in the value of the investment properties, which is reflected in the value reported in the financial statements

The current level of operating activity is expected to continue in the year to 31 December 2014

The exceptional costs and loss in prior years are a result of the company refinancing its debt on 21 December 2011

The principal risks and uncertainties of the business relate predominantly to tenant default on rental payments As tenancies are predominantly with Community Health Partnerships Limited, the risk of tenant default is considered to be low

The company performs to key performance indicators as set by its parent company

It is anticipated that future developments will be owned by related Fundcos and therefore no further properties will be added to the portfolio

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2013 (2012 - £Nil)

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2013 to the date of this report

R Laing  
J R Taylor  
R G E Williams  
J E Keyte  
M Dyer  
Dr A Pursey

Other changes in directors holding office are as follows

Dr S A Raper - resigned 1 October 2013  
Mrs R Hardy - resigned 31 March 2013  
S J Barnes - appointed 1 October 2013

Directors were not remunerated by Birmingham and Solihull LIFT (Fundco 1) Limited, but by their respective employing entities

**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**REPORT OF THE DIRECTORS  
for the Year Ended 31 December 2013**

**FINANCIAL RISK MANAGEMENT**

The company's financial risk management objective is broadly to seek to make neither a profit nor a loss from exposure to interest rate risk. Its policy is to finance working capital through retained earnings and to finance fixed assets through fixed rate borrowings for the term of the first lease of each of the assets.

The company's hedging strategy is to enter into a fixed rate loan.

The company's lease revenues and most of its costs were linked to inflation at the inception of the respective projects. The financing structure and senior loan repayment profile was structured so that the company would continue to meet its covenants in a low inflation environment, resulting in the company being largely but not wholly insensitive to inflation.

The directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position or profit.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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,
- state whether applicable 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**APPROVED BY THE BOARD AND SIGNED ON ITS BEHALF:**



R G E Williams - Director

Date 27<sup>TH</sup> MARCH 2014

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
BIRMINGHAM AND SOLIHULL LIFT (FUNDCO 1)  
LIMITED**

**REPORT ON THE FINANCIAL STATEMENTS**

**Our opinion**

In our opinion the financial statements, defined below

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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

This opinion is to be read in the context of what we say in the remainder of this report

**What we have audited**

The financial statements, which are prepared by Birmingham and Solihull LIFT (Fundco 1) Limited, comprise

- the balance sheet as at 31 December 2013,
- the profit and loss account and statement of total recognised gains and losses 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 their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

**What an audit of financial statements involves.**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("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

In addition, we read all the financial and non-financial information in the Report of the Directors and Financial Statements (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

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements

**OTHER 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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED**

**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 take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

**RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT**

**Our responsibilities and those of the 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and 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.



Paul Nott (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham

Date 27 March 2014

**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**PROFIT AND LOSS ACCOUNT  
for the Year Ended 31 December 2013**

	Notes	31 12 13 £	31 12 12 £
<b>TURNOVER</b>		6,357,370	6,149,396
Administrative expenses		962,994	974,451
<b>OPERATING PROFIT</b>	3	5,394,376	5,174,945
Interest receivable and similar income		13,109	4,512
		5,407,485	5,179,457
Interest payable and similar charges	4	3,496,519	3,628,280
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,910,966	1,551,177
Tax on profit on ordinary activities	5	823,045	679,124
<b>PROFIT FOR THE FINANCIAL YEAR</b>		1,087,921	872,053

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements



**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
for the Year Ended 31 December 2013**

	31 12 13 £	31 12 12 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>	1,087,921	872,053
Revaluation in the year (Note 6)	1,704,000	1,178,386
	<u>                    </u>	<u>                    </u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u><u>2,791,921</u></u>	<u><u>2,050,439</u></u>

The notes form part of these financial statements

**BIRMINGHAM AND SOLIHULL LIFT (FUNDCO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**BALANCE SHEET  
31 December 2013**

	Notes	31 12 13 £	£	31 12 12 £	£
<b>FIXED ASSETS</b>					
Investments	6		76,738,000		75,034,000
<b>CURRENT ASSETS</b>					
Debtors	7	2,580,264		4,486,521	
Cash at bank		2,826,840		879,954	
		<u>5,407,104</u>		<u>5,366,475</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>1,544,909</u>		<u>1,595,184</u>	
<b>NET CURRENT ASSETS</b>			<u>3,862,195</u>		<u>3,771,291</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			80,600,195		78,805,291
<b>CREDITORS</b>					
Amounts falling due after more than one year	9		<u>71,941,082</u>		<u>72,938,099</u>
<b>NET ASSETS</b>			<u>8,659,113</u>		<u>5,867,192</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		1,000		1,000
Revaluation reserve	14		18,980,261		17,276,261
Profit and loss account	14		<u>(10,322,148)</u>		<u>(11,410,069)</u>
<b>SHAREHOLDERS' FUNDS</b>	17		<u>8,659,113</u>		<u>5,867,192</u>

The financial statements were approved and authorised for issue by the Board of Directors on 27 MARCH 2014 and were signed on its behalf by



R Laing - Director

The notes form part of these financial statements

**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 December 2013**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and in accordance with the Companies Act 2006, applicable accounting standards in the United Kingdom and on a going concern basis

**Cashflow exemption**

The company, being a small company in accordance with section 384 of the Companies Act 2006, is exempt from the requirement to draw up a cashflow statement

**Turnover**

Turnover represents revenue recognised by the company in respect of rental income falling due during the year, excluding value added tax. Rental income is recognised in the period to which it relates

The whole of the turnover is attributable to one class of business and arose in the United Kingdom

Sales and purchase pass-through transactions for which the company does not have significant risk and reward are shown net in the profit and loss account

**Deferred tax**

As required by Financial Reporting Standard Number 19 "Deferred Tax", full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation, except for those timing differences in respect of which the standard specifies that deferred tax should not be recognised. Deferred assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted

**Going concern**

Although the Company is currently loss making and has net current liabilities, the directors are in discussion with the other shareholder of the LIFT joint ventures to agree a dividend policy which would allow dividends to be paid up from the profitable LIFT property companies. In the event that such agreement cannot be reached, one of the company's shareholders has confirmed its intention to provide sufficient financial support to allow the company to meet its debts as they fall due for the foreseeable future. Accordingly, the directors confirm it is appropriate to prepare the financial statements on a going concern basis

**Interest**

Interest on junior loans from the parent company is charged on a quarterly basis and accrued for on the balance sheet. Interest payments are made to the parent company on a semi-annual basis

Interest on senior loans is charged and paid on a quarterly basis

**Fixed asset investments**

Fixed Asset Investments represent completed investment properties

Completed investment properties are included in the balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No 19 (SSAP 19) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company

Investment properties are revalued annually by an independent surveyor

**Debt finance costs**

Debt finance costs are netted off the relevant debt balance and are amortised over the life of the loan

**2 STAFF COSTS**

There were no employees for the year ended 31 December 2013 nor for the year ended 31 December 2012

**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2013**

**3 OPERATING PROFIT**

The operating profit is stated after charging

	31 12 13	31 12 12
	£	£
Auditors' remuneration	5,540	5,385
	<u>          </u>	<u>          </u>
Directors' remuneration	-	-
	<u>          </u>	<u>          </u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	31 12 13	31 12 12
	£	£
Amortisation of finance costs	53,936	54,679
Mortgage interest	3,038,586	3,080,340
Loan stock interest	403,997	493,261
	<u>          </u>	<u>          </u>
	3,496,519	3,628,280
	<u>          </u>	<u>          </u>

Interest of £403,997 (2012 - £493,261) was payable on the loan stock from Birmingham and Solihull Local Improvement Finance Trust Limited

**5 TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	31 12 13	31 12 12
	£	£
Deferred tax	823,045	679,124
	<u>          </u>	<u>          </u>
Tax on profit on ordinary activities	823,045	679,124
	<u>          </u>	<u>          </u>

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 12 13	31 12 12
	£	£
Profit on ordinary activities before tax	1,910,966	1,551,177
	<u>          </u>	<u>          </u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.250% (2012 - 24.500%)	444,300	380,038
Effects of		
Expenses not deductible for tax purposes	4,486	-
Losses brought forward utilised	(1,258,679)	(1,267,862)
Losses carried forward	809,893	887,824
	<u>          </u>	<u>          </u>
Current tax charge	-	-
	<u>          </u>	<u>          </u>

**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2013**

**5 TAXATION - continued**

**Factors that may affect future tax charges**

The Finance Act 2012 which was enacted on 17 July 2012 included legislation which reduced the main rate of corporation tax from 24% to 23% on 1 April 2013. In addition the Finance Act 2013 which was given royal assent and therefore enacted on 17 July 2013 included legislation reducing the main rate of corporation tax from 23% to 21% from 1 April 2014 and also reducing the main rate of corporation tax from 21% to 20% from 1 April 2015.

Based on the enacted changes to the main rate of corporation tax at the reporting date, current tax has been calculated at a blended rate of 23.25% (2012 - 24.5%). Closing balances on deferred tax assets and liabilities have been calculated using the substantively enacted tax rates above.

**6 FIXED ASSET INVESTMENTS**

	Investment properties £
<b>COST OR VALUATION</b>	
At 1 January 2013	75,034,000
Revaluations	1,704,000
	<hr/>
At 31 December 2013	76,738,000
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2013	76,738,000
	<hr/>
At 31 December 2012	75,034,000
	<hr/>

Cost or valuation at 31 December 2013 is represented by

	Investment properties £
Valuation in 2005	570,032
Valuation in 2006	3,355,000
Valuation in 2007	1,015,418
Valuation in 2008	1,037,686
Valuation in 2009	1,158,077
Valuation in 2010	8,184,000
Valuation in 2011	777,662
Valuation in 2012	1,178,386
Valuation in 2013	1,704,000
Cost	57,757,739
	<hr/>
	76,738,000
	<hr/>

**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2013**

**6 FIXED ASSET INVESTMENTS - continued**

Fixed asset investments represent completed investment properties, at valuation

Included in the cost of investment properties at 31 December 2013 is £3,033,578 (2012 - £3,033,578) of capitalised finance costs

All investment properties were revalued during the year

Investment properties were revalued as at 31 December 2013, in accordance with the company's accounting policy, by external valuers, GVA Grimley Ltd, Chartered Surveyors. The valuation was carried out on a Market Value basis as defined by the Royal Institute of Chartered Surveyors (RICS) Valuations Standards, 7th Edition ("the Red Book") assuming that the properties would be sold subject to existing leases

**7 DEBTORS**

	31 12 13 £	31 12 12 £
Amounts falling due within one year		
Trade debtors	4,979	929,135
Amounts owed by group undertakings	-	72,704
Amounts owed by participating interests	-	1,852
Other debtors	8,829	91,151
Prepayments and accrued income	39,220	41,398
	<u>53,028</u>	<u>1,136,240</u>
Amounts falling due after more than one year		
Deferred tax asset	<u>2,527,236</u>	<u>3,350,281</u>
Aggregate amounts	<u>2,580,264</u>	<u>4,486,521</u>

**8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 12 13 £	31 12 12 £
Other loans (see note 10)	997,016	1,080,138
Trade creditors	59,516	7,143
Amounts owed to participating interests	-	16
VAT	279,785	261,239
Other creditors	25,452	23,352
Deferred income	53,674	53,099
Accrued expenses	129,466	170,197
	<u>1,544,909</u>	<u>1,595,184</u>

Balances with group undertakings and participating interests are payable on demand and attract no interest

**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2013**

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

	31 12 13 £	31 12 12 £
Other loans (see note 10)	65,376,129	66,373,145
Amounts owed to group undertakings	6,564,953	6,564,954
	<u>71,941,082</u>	<u>72,938,099</u>

Amounts owed to parent undertaking represent debt with a fixed interest rate of 11.50% to 12% and are repayable in more than 5 years

**10 LOANS**

An analysis of the maturity of loans is given below

	31 12 13 £	31 12 12 £
Amounts falling due within one year or on demand		
Mortgage	1,050,089	1,134,074
Unamortised finance costs	(53,073)	(53,936)
	<u>997,016</u>	<u>1,080,138</u>
Amounts falling due between one and two years		
Mortgage - 1-2 years	961,581	1,050,089
Unamortised finance costs - 1-2 years	(52,280)	(53,073)
	<u>909,301</u>	<u>997,016</u>
Amounts falling due between two and five years		
Mortgage - 2-5 years	3,777,950	3,245,530
Unamortised finance costs - 2-5 years	(151,458)	(154,355)
	<u>3,626,492</u>	<u>3,091,175</u>
Amounts falling due in more than five years		
Repayable by instalments		
Mortgage - more than 5 years	61,319,686	62,813,688
Unamortised finance costs - more than 5 years	(479,350)	(528,734)
	<u>60,840,336</u>	<u>62,284,954</u>

The mortgage is repayable in instalments on a quarterly basis throughout the year

Interest is payable at a fixed rate of 4.48% over the 26 year term of the mortgages

**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2013**

**11 SECURED DEBTS**

The following secured debts are included within creditors

	31 12 13 £	31 12 12 £
Mortgage	<u>67,109,306</u>	<u>68,234,381</u>

The mortgage is secured by fixed and floating charges over the company's investment properties and other assets

**12 DEFERRED TAX**

	£
Balance at 1 January 2013	(3,350,281)
Tax rate change to prior year	436,993
Unutilised losses	<u>386,052</u>
Balance at 31 December 2013	<u>(2,527,236)</u>

The deferred tax asset of £2,527,236 (shown in note 7) is represented by a deferred tax liability of £200,346 and £606,716 relating to accelerated capital allowances and capitalised interest respectively and a deferred tax asset of £3,334,298 in respect of unutilised losses

**13 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value £1	31 12 13 £	31 12 12 £
1,000	Ordinary		<u>1,000</u>	<u>1,000</u>

**14 RESERVES**

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 January 2013	(11,410,069)	17,276,261	5,866,192
Profit for the year	1,087,921		1,087,921
Revaluation in the year	-	1,704,000	1,704,000
At 31 December 2013	<u>(10,322,148)</u>	<u>18,980,261</u>	<u>8,658,113</u>

**15 ULTIMATE PARENT COMPANY**

The immediate parent company is Birmingham and Solihull Local Improvement Finance Trust Limited. There is no ultimate controlling party.



**BIRMINGHAM AND SOLIHULL LIFT (FUNDCO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2013**

**16 RELATED PARTY DISCLOSURES**

In accordance with FRS 8 Related Party Disclosures, transactions and individual balances with group companies are not disclosed as 100% of their voting rights are held within the group

Birmingham and Solihull Local Improvement Finance Trust Limited (BaS LIFT) is the immediate parent company of Birmingham and Solihull LIFT (Fundco 1) Limited. Interest of £403,997 (2012 - £493,261) was payable on the loan stock from BaS LIFT.

BaS LIFT is a joint venture between BaSS LIFT Holdings Limited and Community Health Partnerships ("CHP").

Up until 31 March 2013 Birmingham East & North Primary Care Trust, Heart of Birmingham Teaching Primary Care Trust, South Birmingham Primary Care Trust, Solihull Primary Care Trust and CHP all had an interest in the BaS LIFT joint venture with BaSS LIFT Holdings Limited.

During the year, following a restructure within the NHS on 1 April 2013, the voting rights and shareholdings held in BaS LIFT by the Primary Care Trusts were transferred to CHP, leaving CHP and BaSS LIFT Holdings Limited the only parties with an interest in the joint venture.

BaSS LIFT Holdings Limited is a wholly owned subsidiary of Prime LIFT Investments Limited which in turn is a joint venture between Prime (UK) Investments Limited and Infrastructure Investments Holdings Limited.

Prime (UK) Investments Limited and Prime Operations Limited are both wholly owned subsidiaries of Prime Plc.

Prime Operations Limited owns 100% of the share capital of Prime (UK) Developments Limited and One Creative Environments Limited.

PPP Leasing Limited is a 100% subsidiary of Prime (UK) Investments Limited.

Company name	Nature	2013	2012
Other trading debtor / (creditor) balances at 31 December 2013			
Birmingham East & North Primary Care Trust		-	275,946
Heart of Birmingham Teaching Primary Care Trust		-	362,069
South Birmingham Primary Care Trust		-	286,610
Solihull Primary Care Trust		-	2,285
Prime Group Companies		-	(16)
Prime Group Companies		-	1,852

Sales to / (Purchases from) related parties during the financial year

Birmingham East & North Primary Care Trust	Rent & disbursements	798,718	3,186,166
Heart of Birmingham Teaching Primary Care Trust	Rent & disbursements	538,839	2,141,167
Heart of Birmingham Teaching Primary Care Trust	Rent & disbursements	-	(1,588)
South Birmingham Primary Care Trust	Rent & disbursements	287,246	1,147,312
Community Health Partnerships	Rent & disbursements	5,753,293	-
Solihull Primary Care Trust	Rent & disbursements	253,275	951,678
Prime Group Companies	Services & disbursements	(233,758)	(227,586)
Prime Group Companies	Rent & disbursements	84,791	86,990

The sales and purchase transactions with related parties are all stated inclusive of VAT.

**BIRMINGHAM AND SOLIHULL LIFT (FUND CO 1)  
LIMITED (REGISTERED NUMBER: 04958862)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2013**

**17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31 12 13	31 12 12
	£	£
Profit for the financial year	1,087,921	872,053
Other recognised gains and losses relating to the year (net)	1,704,000	1,178,386
<b>Net addition to shareholders' funds</b>	<b>2,791,921</b>	<b>2,050,439</b>
Opening shareholders' funds	5,867,192	3,816,753
<b>Closing shareholders' funds</b>	<b>8,659,113</b>	<b>5,867,192</b>