

5072647 (England and Wales)

Building Better Health - Lambeth Southwark Lewisham Limited

Financial Statements

31 March 2008

WEDNESDAY



AYSJP5Q3

A57

17/12/2008

137

COMPANIES HOUSE

Building Better Health - Lambeth Southwark Lewisham Limited

Company Information

Directors	Prof. P Brickell Mr K Barton Mr D W Bowler Mr C Lenox-Conyngham Mr A Liddell Ms S Pierce Mr E M Prinsloo Mr M J Hines Mr I Booth
Secretary	Fulcrum Infrastructure Management Limited
Company Number	5072647 (England and Wales)
Registered Office	North Suite Park Lorne 111 Park Road London NW8 7JL
Auditors	RSM Bentley Jennison Charterhouse Legge Street Birmingham B4 7EU

Building Better Health - Lambeth Southwark Lewisham Limited

Directors' Report

The directors present their report and the audited financial statements for the year ended 31 March 2008.

Principal activity and review of business

The company carries on the business of developing property projects and provides associated services for the NHS Local Improvement Finance Trust ("LIFT") programme in Lambeth, Southwark and Lewisham. The first tranche of schemes reached financial close on 6 December 2005.

Financial results and dividends

The profit and loss account on page 5 shows the results for the year. The directors do not recommend the payment of a dividend for the year to 31 March 2008.

Directors and their interests

The directors who held office during the year were as follows:-

Prof. P Brickell	
Mr K Barton	
Mr D W Bowler	(appointed 28 March 2008)
Mr C Lenox-Conyngham	
Mr A Liddell	
Mr M A Pears	(resigned 14 May 2007)
Ms S Pierce	
Mr E M Prinsloo	
Mr J S Thomson	(resigned 28 March 2008)
Mr M J Hines	(appointed 24 January 2008)
Mr I Booth	(appointed 24 January 2008)
Mr P A Eyres	(appointed 28 June 2007; resigned 28 June 2007)

Statement of disclosure to auditors

- (a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

(contd....)

Building Better Health - Lambeth Southwark Lewisham Limited

Directors' Report

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which 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 1985. 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.

Auditors

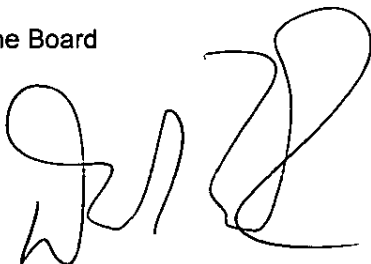
In accordance with Section 385 of the Companies Act 1985, a resolution will be proposed at the Annual General Meeting to re-appoint RSM Bentley Jennison as auditors.

Small company provisions

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board

D W Bowler
Director



22ND OCTOBER

2008

Building Better Health - Lambeth Southwark Lewisham Limited

Independent Auditors' Report

to the shareholders of Building Better Health - Lambeth Southwark Lewisham Limited

We have audited the financial statements of Building Better Health - Lambeth Southwark Lewisham Limited for the year ended 31 March 2008 which comprises the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors

As described in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the directors' report is consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

(contd.....)

Building Better Health - Lambeth Southwark Lewisham Limited

Independent Auditors' Report

to the shareholders of Building Better Health - Lambeth Southwark Lewisham Limited

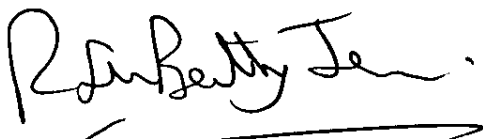
Basis of audit opinion (contd....)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion :

- the information given in the directors' report is consistent with the financial statements;
- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its results for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.



RSM Bentley Jennison
Chartered Accountants
Registered Auditors

Charterhouse
Legge Street
Birmingham B4 7EU

24 October 2008

Building Better Health - Lambeth Southwark Lewisham Limited

Profit and Loss Account for the year ended 31 March 2008

	Notes	2008 £	2007 £
Turnover	2	471,514	463,892
Administrative expenses		(594,467)	(526,237)
Operating loss	3	<u>(122,953)</u>	<u>(62,345)</u>
Interest receivable and similar income		111,689	100,291
Interest payable and similar charges		(103,945)	(100,291)
Loss on ordinary activities before taxation		<u>(115,209)</u>	<u>(62,345)</u>
Taxation	5	-	-
Loss for the year		<u><u>(115,209)</u></u>	<u><u>(62,345)</u></u>

The company has no recognised gains or losses other than the results for the year as set out above.

All turnover is derived from continuing operations performed in the United Kingdom. No operations were discontinued during the year.

Building Better Health - Lambeth Southwark Lewisham Limited

Balance Sheet as at 31 March 2008

	Notes	2008		2007	
		£	£	£	£
Fixed assets					
Investments in subsidiary undertakings	6	1,810,224		1,809,567	
Tangible fixed assets	7	604		949	
			1,810,828		1,810,516
Current assets					
Debtors	8	365,540		204,512	
Cash at Bank		321,767		39,212	
		687,307		243,724	
Creditors: amounts falling due within one year	9	(376,101)		(317,654)	
Net current liabilities			311,206		(73,930)
Creditors: amounts falling due after one year	10		(2,260,213)		(1,759,556)
			(138,179)		(22,970)
Capital and reserves					
Called up share capital	11		50,010		50,010
Profit and loss account	12		(188,189)		(72,980)
Shareholders' funds - equity	13		(138,179)		(22,970)

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 22nd October 2008 and signed on its behalf by:-

D W Bowler
Director



Building Better Health - Lambeth Southwark Lewisham Limited

Notes to the Financial Statements for the year ended 31 March 2008

1. Accounting policies

1.1 Basis of preparation

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

1.2 Cashflow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.3 Consolidation

The financial statements contain information about the company as an individual undertaking and do not contain consolidated financial information as the parent of the group. The company is exempt under Section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a small company.

1.4 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 less residual value of each asset over its estimated useful life, as follows:

Computer equipment - 3 years straight line.

1.5 Investments

Investments are shown at cost less provision for permanent diminution in value.

2. Turnover

Turnover is based on amounts receivable for services net of value added tax.

3. Operating loss

2008
£

2007
£

Operating loss is stated after charging:-

Depreciation

345

149

Auditors' remuneration - audit services

10,000

8,750

**4. Director's emoluments
(including benefits in kind)**

15,000

7,500

5. Taxation

UK corporation tax - current tax charge

-

-

Factors affecting the tax charge for the year

Loss on ordinary activities before taxation

(115,209)

(62,345)

Corporation tax at standard rate of 30% (2007: 30%)

(34,563)

(18,704)

Effect of:-

Capital allowances

103

(110)

Losses carried forward

34,460

18,814

Current tax charge

-

-

Building Better Health - Lambeth Southwark Lewisham Limited

Notes to the Financial Statements for the year ended 31 March 2008

6.	Investment in subsidiary undertakings	2008 £	2007 £
	Equity investment at cost	50,011	50,011
	Loan notes	1,760,213	1,759,556
		<u>1,810,224</u>	<u>1,809,567</u>

Details of the investment in subsidiary undertakings held by the company are as follows:-

Name of company	Country of Incorporation	Nature of business	Proportion of issued shares held	
BBH-LSL (FundCo HoldCo Tranche 1) Ltd	England & Wales	Holding Company	100%	
BBH-LSL (FundCo Tranche 1) Ltd	England & Wales	Property	100%	*
BBH-LSL Bid Cost HoldCo Ltd	England & Wales	Holding Company	100%	
BBH-LSL Bid Cost Ltd	England & Wales	Intellectual Property Rights	100%	*

* held indirectly

The aggregate amount of capital and reserves and the results of the subsidiary undertakings for the year ended 31 March 2008 were as follows:-

Aggregate capital and reserves	2008 £	2007 £
BBH-LSL (FundCo HoldCo Tranche 1) Ltd	50,010	50,010
BBH-LSL (FundCo Tranche 1) Ltd	(5,608,329)	(4,991,216)
BBH-LSL Bid Cost Hold Co Ltd	1	1
BBH-LSL Bid Cost Ltd	<u>(721,084)</u>	<u>(670,355)</u>
Profit/(loss) for the year		
BBH-LSL (FundCo HoldCo Tranche 1) Ltd	-	-
BBH-LSL (FundCo Tranche 1) Ltd	(617,113)	(929,385)
BBH-LSL Bid Cost Hold Co Ltd	-	-
BBH-LSL Bid Cost Ltd	<u>(50,729)</u>	<u>(41,444)</u>

The subsidiary companies have issued various fixed and floating charges over their assets and shares as security for various loans.

Building Better Health - Lambeth Southwark Lewisham Limited

Notes to the Financial Statements for the year ended 31 March 2008

7.	Tangible fixed assets	Equipment	Total
	At Cost		
	At 1 April	1,035	1,035
	Disposals	-	-
	Additions	-	-
	At 31 March	<u>1,035</u>	<u>1,035</u>
	Accumulated depreciation		
	At 1 April	86	86
	Charge for the year	345	345
	Depreciation on disposals	-	-
	At 31 March	<u>431</u>	<u>431</u>
	Net Book Value		
	At 31 March 2008	<u>604</u>	<u>604</u>
	At 31 March 2007	<u>949</u>	<u>949</u>
8.	Debtors	2008 £	2007 £
	Accrued income	232,786	116,246
	Amounts due from subsidiary undertakings	13,067	-
	Other debtors	56,032	13,100
	Prepayments	46,879	48,332
	Trade debtors	2,056	16,450
	VAT	14,720	10,384
		<u>365,540</u>	<u>204,512</u>
9.	Creditors: amounts falling due within one year		
	Accruals	257,785	141,580
	Amounts due to group undertakings	28,964	1,217
	Deferred income	-	71,322
	Trade creditors	89,352	103,535
		<u>376,101</u>	<u>317,654</u>
10.	Creditors: amounts falling due after one year		
	Loans		
	Not wholly payable within five years:		
	£1,776,000 Series A1 Fixed Rate 11.14% pa unsecured loan notes repayable in 2033	1,776,000	1,776,000
	Deferred finance acquisition costs	(15,787)	(16,444)
	Shareholder loans	500,000	-
		<u>2,260,213</u>	<u>1,759,556</u>

Building Better Health - Lambeth Southwark Lewisham Limited

Notes to the Financial Statements for the year ended 31 March 2008

11.	Share capital	2008	2007
		£	£
	Authorised, called up and fully paid		
	10,000 Class A ordinary shares of £1	10,002	10,002
	10,000 Class B ordinary shares of £1	10,002	10,002
	30,000 Class C ordinary shares of £1	30,006	30,006
		<u>50,010</u>	<u>50,010</u>
12.	Reserves		
	Profit and loss account		
	At 1 April	(72,980)	(10,635)
	Loss for the year	(115,209)	(62,345)
	At 31 March	<u>(188,189)</u>	<u>(72,980)</u>
13.	Reconciliation of movements in shareholders' funds	2008	2007
		£	£
	Loss for the year	(115,209)	(62,345)
	Movement in shareholders' funds	<u>(115,209)</u>	<u>(62,345)</u>
	Opening shareholders' funds	(22,970)	39,375
	Closing shareholders' funds	<u>(138,179)</u>	<u>(22,970)</u>
14.	Ultimate parent undertaking		

The company is 60% owned by Building Better Health LIFT Partnership, an English partnership between Remin Limited, a company incorporated in England and Wales, and Building Better Health Holdings Limited, a company incorporated in Jersey.

At the year end the group was ultimately 60% owned by Fulcrum Infrastructure Group Holdings Limited, a company incorporated in Jersey. However, as a result of the shareholders' agreement of Building Better Health - Lambeth Southwark Lewisham Limited there is no effective control by any individual shareholder.

Building Better Health - Lambeth Southwark Lewisham Limited

Notes to the Financial Statements for the year ended 31 March 2008

15. Related party transactions

During the year under review the company entered into the following arms length transactions with group undertakings:-

	Income receivable	Costs payable	Balance outstanding at 31 March 2008
	£	£	£
BBH-LSL (FundCo Tranche 1) Ltd, a subsidiary	448,053	-	1,776,000
Building Better Health Limited, an associate	-	103,303	(9,254)
P Brickell, a director, for services	-	15,000	-
Community Health Partnerships, a shareholder	-	20,789	(471,200)
Lambeth PCT, a shareholder	50,888	6,930	(156,900)
Southwark PCT, a shareholder	41,145	6,930	(156,900)
Lewisham PCT, a shareholder	-	61,219	(137,400)
BBH Lift Partnership, an intermediate parent company	-	62,367	(1,353,600)
BBH Services Limited, an associate	-	253,400	(74,436)

16. Going concern

At the balance sheet date the company had net liabilities of £135,603 (2007 - £22,970). The projects being undertaken by the company are secured under long term finance and the directors are satisfied that the company will continue to operate within the agreed facilities and have therefore prepared the financial statements on a going concern basis.