
**BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM)
LIMITED**

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013



BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

COMPANY INFORMATION

DIRECTORS

C Hewitt
R Ashcroft
C Pitt
N McElduff
P A Eyres

COMPANY SECRETARY

Fulcrum Infrastructure Management Limited

COMPANY NUMBER

5072647

REGISTERED OFFICE

105 Piccadilly
London
W1J 7NJ

AUDITORS

BDO LLP
55 Baker Street
London
W1U 7EU

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

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BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

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

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Small company provisions

The report of the directors has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

PRINCIPAL ACTIVITIES

The company carries on the business of developing and managing property projects and provides associated services for the NHS Local Improvement Finance Trust ("LIFT") programme in Lambeth, Southwark and Lewisham.

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

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

DIRECTORS

The directors who served during the year were

C Hewitt (appointed 22 April 2013)
R Ashcroft
C Pitt
N McElduff
H Claxton (resigned 1 May 2013)
P A Eyres

PROVISION OF INFORMATION TO AUDITORS

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

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

AUDITORS

Under section 487(2) of the Companies Act 2006, BDO LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board on 22 July 2013
behalf

and signed on its



C Pitt
Director

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 2013, set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' 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 explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BUILDING BETTER HEALTH
(LAMBETH SOUTHWARK LEWISHAM) LIMITED**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime

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Alexander Tapp (Senior statutory auditor)
for and on behalf of

BDO LLP

Statutory auditor

55 Baker Street

London

W1U 7EU

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

Date 22 July 2013

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2013**

	Note	2013 £	2012 £
TURNOVER	1,2	3,625,604	644,792
Administrative expenses		<u>(3,617,793)</u>	<u>(645,337)</u>
OPERATING PROFIT/(LOSS)		7,811	(545)
Interest receivable and similar income	6	406,549	404,116
Interest payable and similar charges	7	<u>(406,549)</u>	<u>(507,663)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		7,811	(104,092)
Tax on profit/(loss) on ordinary activities	8	<u>(1,744)</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	15	<u>6,067</u>	<u>(104,092)</u>

All amounts relate to continuing operations

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

The notes on pages 7 to 14 form part of these financial statements


BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED
REGISTERED NUMBER. 5072647

BALANCE SHEET
AS AT 31 MARCH 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Investments	10		3,699,484		3,699,484
CURRENT ASSETS					
Debtors	11	1,802,839		1,764,270	
Cash at bank		<u>184,874</u>		<u>51,100</u>	
		1,987,713		1,815,370	
CREDITORS: amounts falling due within one year	12	<u>(1,945,637)</u>		<u>(1,779,361)</u>	
NET CURRENT ASSETS			<u>42,076</u>		<u>36,009</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,741,560		3,735,493
CREDITORS: amounts falling due after more than one year	13		<u>(3,649,452)</u>		<u>(3,649,452)</u>
NET ASSETS			<u>92,108</u>		<u>86,041</u>
CAPITAL AND RESERVES					
Called up share capital	14		50,010		50,010
Profit and loss account	15		<u>42,098</u>		<u>36,031</u>
SHAREHOLDERS' FUNDS	16		<u>92,108</u>		<u>86,041</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 July 2013


C Pitt
 Director

The notes on pages 7 to 14 form part of these financial statements

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Cash flow

The company has used the exemption under Financial Reporting Standard 1, 'Cash Flow Statements', not to prepare a cash flow statement as the directors believe the company is small under the Companies Act 2006

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of project management and other services supplied, exclusive of Value Added Tax

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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Computer equipment	- 33 33% straight line
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1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment

1.6 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 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a small group

1.7 Finance costs

Finance costs are charged to profit over the term of the debt so that the amount charged is at a constant rate on the carrying amount. Finance costs include issue costs, which are initially recognised as a reduction in the proceeds of the associated capital instrument

1.8 Loan arrangement fees

Loan arrangement fees are amortised over the term of the loan on a straight line basis

2. TURNOVER

The whole of the turnover is attributable to services provided net of Value Added Tax

All turnover arose within the United Kingdom

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

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

3 AUDITORS' REMUNERATION

	2013 £	2012 £
Fees payable to the company's auditor for the audit of the company's annual accounts and those of its subsidiaries	<u>9,120</u>	<u>7,830</u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	<u>12,133</u>	<u>14,469</u>

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

	2013 No	2012 No
Directors	<u>5</u>	<u>5</u>

5 DIRECTORS' REMUNERATION

	2013 £	2012 £
Emoluments	<u>12,133</u>	<u>14,469</u>

6. INTEREST RECEIVABLE

	2013 £	2012 £
Interest receivable from group companies	<u>406,549</u>	<u>404,116</u>

7. INTEREST PAYABLE

	2013 £	2012 £
On loans from participating interests	162,620	210,653
On loans from group undertakings	243,929	297,010
	<u>406,549</u>	<u>507,663</u>

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

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

8. TAXATION

	2013 £	2012 £
UK corporation tax charge on profit/(loss) for the year	<u>1,744</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - higher than) the standard rate of corporation tax in the UK of 24% (2012 - 26%) The differences are explained below

	2013 £	2012 £
Profit/(loss) on ordinary activities before tax	<u>7,811</u>	<u>(104,092)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2012 - 26%)	1,875	(27,064)
Effects of:		
Unrelieved tax losses carried forward	<u>(131)</u>	<u>27,064</u>
Current tax charge for the year (see note above)	<u>1,744</u>	<u>-</u>

9. TANGIBLE FIXED ASSETS

	Computer equipment £
Cost	
At 1 April 2012 and 31 March 2013	<u>1,035</u>
Depreciation	
At 1 April 2012 and 31 March 2013	<u>1,035</u>
Net book value	
At 31 March 2013	<u>-</u>
At 31 March 2012	<u>-</u>

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

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

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Loans to group undertakings £	Total £
Cost or valuation			
At 1 April 2012 and 31 March 2013	<u>50,032</u>	<u>3,649,452</u>	<u>3,699,484</u>
Net book value			
At 31 March 2013	<u>50,032</u>	<u>3,649,452</u>	<u>3,699,484</u>
At 31 March 2012	<u>50,032</u>	<u>3,649,452</u>	<u>3,699,484</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding	2013 £	2012 £
BBH - LSL (FundCo Tranche 1) Limited	Ordinary shares held indirectly	100%	-	-
BBH - LSL (FundCo HoldCo Tranche 1) Limited	Ordinary shares	100%	50,010	50,010
BBH - LSL (BidCost) Limited	Ordinary shares held indirectly	100%	-	-
BBH - LSL (BidCostHoldCo 1) Limited	Ordinary shares	100%	1	1
BBH - LSL (Holdco 2) Limited	Ordinary shares	100%	10	10
BBH-LSL (Fundco 2) Limited	Ordinary shares held indirectly	100%	-	-
BBH-LSL (Holdco 3) Limited	Ordinary shares	100%	1	1
BBH-LSL (Fundco 3) Limited	Ordinary shares held indirectly	100%	-	-
BBH-LSL (Holdco 4) Limited	Ordinary shares	100%	10	10
BBH-LSL (Fundco 4) Limited	Ordinary shares held indirectly	100%	-	-
			<u>50,032</u>	<u>50,032</u>

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

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

Name	Business	Registered office
BBH - LSL (FundCo Tranche 1) Limited	Property development & management	London, W1J 7NJ
BBH - LSL (FundCo HoldCo Tranche 1) Limited	Holding Company	London, W1J 7NJ
BBH - LSL (BidCost) Limited	Intellectual Property Rights	London, W1J 7NJ
BBH - LSL (BidCostHoldCo 1) Limited	Holding Company	London, W1J 7NJ
BBH - LSL (Holdco 2) Limited	Holding Company	London, W1J 7NJ
BBH-LSL (Fundco 2) Limited	Property development & management	London, W1J 7NJ
BBH-LSL (Holdco 3) Limited	Holding Company	London, W1J 7NJ
BBH-LSL (Fundco 3) Limited	Property development & management	London, W1J 7NJ
BBH-LSL (Holdco 4) Limited	Holding Company	London, W1J 7NJ
BBH-LSL (Fundco 4) Limited	Property development & management	London, W1J 7NJ

The aggregate of the share capital and reserves as at 31 March 2013 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £	Profit/(loss) £
BBH - LSL (FundCo Tranche 1) Limited	(4,755,082)	49,566
BBH - LSL (Fundco Holdco Tranche 1) Limited	50,010	-
BBH - LSL (BidCost) Limited	-	447
BBH - LSL (BidCostHoldCo 1) Limited	1	-
BBH - LSL (Holdco 2) Limited	10	-
BBH-LSL (Fundco 2) Limited	29,332	(35,483)
BBH-LSL (Holdco 3) Limited	1	-
BBH-LSL (Fundco 3) Limited	390,219	206,586
BBH-LSL (Holdco 4) Limited	10	-
BBH-LSL (Fundco 4) Limited	<u>10</u>	<u>-</u>

All subsidiaries are incorporated in England and Wales

100% of the share capital of each of BBH - LSL (FundCo Tranche 1) Limited, BBH - LSL (FundCo 2) Limited, BBH - LSL (FundCo 3) Limited, BBH - LSL (FundCo 4) Limited and BBH - LSL (BidCost) Limited is held indirectly

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

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

11. DEBTORS

	2013 £	2012 £
Trade debtors	1,043,860	381,335
Amounts owed by group undertakings	-	351,309
Prepayments and accrued income	758,979	1,031,626
	<u>1,802,839</u>	<u>1,764,270</u>

**12 CREDITORS:
Amounts falling due within one year**

	2013 £	2012 £
Trade creditors	205,735	129,609
Amounts owed to group undertakings	45,554	-
Corporation tax	30,744	29,000
VAT creditor	118,087	96,524
Accruals and deferred income	1,545,517	1,524,228
	<u>1,945,637</u>	<u>1,779,361</u>

**13. CREDITORS:
Amounts falling due after more than one year**

	2013 £	2012 £
Amounts owed to group undertakings	2,189,671	2,189,671
Amounts owed to other participating interests	1,459,781	1,459,781
	<u>3,649,452</u>	<u>3,649,452</u>

Creditors include amounts not wholly repayable within 5 years as follows

	2013 £	2012 £
Repayable other than by instalments	<u>3,649,452</u>	<u>3,649,452</u>

Loans from group undertakings and participating interests bear interest at 11 14% per annum, payable every six months, and are repayable on 11 May 2033. No principal is due to be repaid in the next 12 months

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

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

14. SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid		
10,002- Class A Ordinary shares of £1 each	10,002	10,002
10,002- Class B Ordinary shares of £1 each	10,002	10,002
30,006- Class C Ordinary shares of £1 each	30,006	30,006
	<u>50,010</u>	<u>50,010</u>
All classes of shares rank pari passu		

15. RESERVES

	Profit and loss account £
At 1 April 2012	36,031
Profit for the year	6,067
	<u>42,098</u>
At 31 March 2013	

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Opening shareholders' funds	86,041	190,133
Profit/(loss) for the year	<u>6,067</u>	<u>(104,092)</u>
Closing shareholders' funds	<u>92,108</u>	<u>86,041</u>

BUILDING BETTER HEALTH (LAMBETH SOUTHWARK LEWISHAM) LIMITED

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

17. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption provided in paragraph 3(c) of Financial Reporting Standard 8 (Revised) not to disclose transactions with its wholly owned subsidiary companies

	Income / (Expense) 2013 £	Income / (Expense) 2012 £	Debtor / (Creditor) 31 March 2013 £	Debtor / (Creditor) 31 March 2012 £
Project management and other trading income / expenses				
Fulcrum Infrastructure Management Limited, a related party with the same ultimate parent undertaking	(1,935,120)	(268,092)	(87,937)	(21,383)
Lambeth Primary Care Trust, a former shareholder	1,108,167	-	745,332	-
Lewisham Primary Care Trust, a former shareholder	276,372	53,716	266,244	-
Southwark Primary Care Trust, a former shareholder	62,239	-	-	-
Loans and interest				
Fulcrum Infrastructure Group Limited, a parent company	(243,929)	(297,010)	(2,189,671)	(2,189,671)
Lewisham Primary Care Trust, a former shareholder	(27,103)	(32,107)	(243,296)	(243,296)
Lambeth Primary Care Trust, a former shareholder	(27,103)	(37,918)	(243,296)	(243,296)
Southwark Primary Care Trust, a former shareholder	(27,104)	(38,194)	(243,296)	(243,296)
Community Health Partnerships, a shareholder	(81,310)	(102,434)	(729,893)	(729,893)

18. ULTIMATE PARENT UNDERTAKING

On 1 April 2013 the NHS Primary Care Trust Shareholdings and obligations transferred under the provisions of The Health and Social Care Act 2012 to Community Health Partnerships by statutory instrument. As a consequence of these changes the Company's shareholders become Fulcrum Infrastructure Group Limited and Community Health Partnerships with effect from this date.

The company is 60% owned by Fulcrum Infrastructure Group Limited, a company incorporated in England and Wales. For the purpose of these accounts, 'group' is defined as all companies within the Fulcrum Infrastructure Group Limited group.

The company is ultimately 60% owned by Meridiam Infrastructure Finance s a r l , a company based in Luxembourg. 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.