

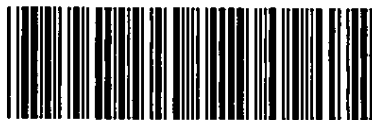
Company No 06573612

# **BSFI LEISURE LIMITED**

## **Annual Report**

**For The Year Ended 31 March 2011**

WEDNESDAY



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## **Company information**

**Company Registration Number:** 06573612

**Registered Office** 33 Greycoat Street  
London  
SW1P 2QF

**Sole Ordinary Shareholder:** Building Schools for the Future Investments LLP

**Directors:** R Hoile  
C McComb

**Secretary:** L Ward

**Bankers:** Barclays Bank PLC  
London Corporate Banking  
1 Churchill Place  
London, E14 5HP

**Independent Auditor:** PKF (UK) LLP  
Farringdon Place  
20 Farringdon Road  
London, EC1M 3AP

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## **Report of the Directors**

The Directors of BSFI Leisure Limited ("BSFIL") present their annual report and the audited financial statements for the year ended 31 March 2011

### **Principal Activity**

The principal activity of BSFIL is to participate in the design, construction, finance and operation of a leisure project in Leeds that is being procured by Leeds City Council through Environments for Learning Leeds PFI Three Limited

Building Schools for the Future Investments LLP established BSFIL as a wholly owned subsidiary, with issued ordinary share capital of £1 to facilitate in the Leeds leisure project that was procured through the Leeds Local Education Partnership Partnerships UK PLC (PUK) provided the risk capital for this project in the form of a loan and a preference share PUK hold an option to acquire the ordinary share capital of BSFIL for £1

### **Business Review**

The results for the year are set out in the profit and loss account on page 8

### **Going concern**

The company has made a profit for the year of £8,660 and has net assets of £6,161 at the balance sheet date The parent company Partnerships UK PLC has confirmed its intention to continue to support the company so that it may meet its liabilities as they fall due However, PUK is itself expected to go into solvent liquidation during 2011 Prior to this, it is the intent of PUK to dispose of BSFI Leisure as a going concern

### **Directors**

The directors who held office during the year were as follows

R Hoile  
C McComb

### **Directors' Responsibilities Statement**

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,
- 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 auditor**

Each director has confirmed that so far as he or she is aware, there is no relevant audit information of which the Company's auditor is unaware and that he or she 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 auditor is aware of that information.

### **Auditor**

It is the intention of the directors to reappoint PKF (UK) LLP as the Company's auditor for the forthcoming financial year.

The financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to companies subject to the small companies regime, and in accordance with the financial reporting standard for smaller entities (effective April 2008).

By order of the Board

33 Greycoat Street  
London  
SW1P 2QF



**Richard Hoile**  
*Director*

8 August 2011

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BSFI LEISURE LIMITED**

We have audited the financial statements of BSFI Leisure Limited for the year ended 31 March 2011 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to smaller entities).

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 auditor**

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 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**

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 annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, 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.

**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 in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report

*PKF (UK) LLP*

Nicholas Whitaker (Senior statutory auditor)  
for and on behalf of PKF (UK) LLP, Statutory auditor

London, UK

Date *14 August 2011*

## BSFI Leisure Limited

Company No 06573612

### Profit & Loss Account

for the Year Ended 31 March 2011

	Notes	31 March 2011 £	31 March 2010 £
Turnover	2	26 245	12,167
Interest Payable	3	(13,645)	(13 645)
Administrative expenses		(2,400)	0
		-----	-----
Profit on ordinary activities before tax	4	10,200	(1,478)
Tax on profit on ordinary activities	5	(1 540)	0
		-----	-----
Profit/(loss) on ordinary activities after tax		8,660	(1,478)

All activities are derived from continuing operations

The notes on pages 10 to 11 form part of these financial statements



# BSFI Leisure Limited

## Balance Sheet

Company No 06573612

At 31 March 2011

	Notes	31 March 2011		31 March 2010	
		£	£	£	£
<b>Fixed Assets</b>					
Investments	6		226 480		227 668
			<u>226 480</u>		<u>227 668</u>
<b>Current Assets</b>					
Cash	7		10 624		13 040
Debtors	8		34 376		6 993
<b>Creditors</b>					
Amounts falling due within one year	9		<u>(37 653)</u>		<u>(22 534)</u>
<b>Net Current Assets</b>			7 347		(15 541)
<b>Total Assets less current liabilities</b>			<u>233 827</u>		<u>225 167</u>
<b>Creditors</b>					
Amounts falling due after more than one year	10		<u>(227 666)</u>		<u>(227 666)</u>
<b>Net assets</b>			<u>6,161</u>		<u>(2,499)</u>
<b>Capital and Reserves</b>					
Called up share capital	11		2		2
Profit and loss account			<u>6 159</u>		<u>(2 501)</u>
			<u>6,161</u>		<u>(2 499)</u>

The financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the Board of directors on 8 August 2011 and signed on its behalf by



Richard Holle  
Director

The notes on pages 10 and 11 form part of these financial statements

## Notes to the Financial Statements

for the Year Ended 31 March 2011

### 1 ACCOUNTING POLICIES

#### Basis of Accounting

The financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company has made a profit for the period of £8,660 and has net assets of £5,161 at the balance sheet date. The parent company Partnerships UK PLC has confirmed its intention to continue to support the company so that it may meet its liabilities as they fall due. However, PUK is itself expected to go into solvent liquidation during 2011. Prior to this, it is the intent of PUK to dispose of BSFI Leisure as a going concern.

#### Turnover recognition

Interest income is recognised over the life of the underlying loans on an accruals basis unless the existence of interest thereon is contingent upon the occurrence of a critical event in which case it is recognised when that event occurs.

#### Valuation

BSFI's assets are held at the lower of cost or net realisable value and any revaluation based on "fair value" is recognised in the financial statements of Building Schools for the Future Investments LLP.

### 2 TURNOVER

Turnover is the amount derived from ordinary activities during the year and arises from the charging of loan interest.

### 3 INTEREST

	31 March 2011	31 March 2010
	£	£
Payable	(13,645)	(13,645)
Accrued to PUK under the terms of its Loan Note Instrument		

Interest receivable on investments forms part of turnover.

### 4 OPERATING PROFIT

Operating profit is the amount derived from turnover and the charging of audit fees of £2,400 (2010: £nil).

### 5 TAXATION

	31 March 2011	31 March 2010
	£	£
Current Tax	1,540	0
UK corporation tax charge on profit/(loss) for the period		

### 6 INVESTMENTS

	£
Balance brought forward at 1 April 2010	227,668
Loan redemption repayment in the year	(1,188)
Balance carried forward at 31 March 2010	226,480

As at 31 March 2010 BSFI's economic interest in Environments for Learning Leeds PFI Three Limited is as follows:

PFI Project Companies Equity Investments	PFI Project Companies Shareholder Loans	31 March 2010 Total
£	£	£
250	226,230	226,480

On a historical cost basis these investments would have been held at £226,480.

## Notes to the Financial Statements

for the Year Ended 31 March 2011

7	Cash	2011 £	2010 £
	Cash at bank	10 624	13 040
8	Debtors	2011 £	2010 £
	Other debtors	34 376	6 993
9	CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	2011 £	2010 £
	Accrued interest payable to PUK	36 179	22 534
	Other creditors	1 474	-
		37 653	22 534

## 10 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Loan made by Partnerships UK PLC under the terms of a loan note instrument dated 6 August 2008 under which loans are not repayable until 2026

## 11 CALLED UP SHARE CAPITAL

	2011 £	2010 £
Allotted called up and fully paid		
Ordinary shares of £1 each	1	1
Preference share of £1 each	1	1

On incorporation the company issued 1 £1 ordinary share at par

On incorporation the company issued 1 £1 preference share at par

## 12 RESERVES

	2011 £	2010 £
Opening reserves	(2 501)	(1 023)
Profit for the year	6 660	(1 478)
Closing reserves	6 159	(2 501)

## 13 RELATED PARTY TRANSACTIONS

BSFI Leisure Limited was established by Building Schools for the Future Investments LLP with issued ordinary share capital of £1 to facilitate participation in the Leeds Leisure project that was procured through the Leeds LEP. PUK provided to BSFI Leisure Limited the risk capital for this project in the form of a loan and a £1 preference share. PUK hold an option to acquire the ordinary share capital of BSFI Leisure Limited for £1.

During the period director services, secretarial services and accounting services were received at no cost from Building Schools for the Future Investments LLP and Partnerships UK PLC.

At 31 March 2011 BSFI LLP held cash of £34 376 (2010: £6 993) in respect of accrued interest received on behalf of BSFI Leisure Limited and this amount is held in other debtors (note 6).

## 14 CONTROLLING PARTY

Building Schools for the Future Investments LLP is the immediate parent company. The controlling party is Partnerships UK PLC.