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**BBH-LSL (FUND CO HOLD CO TRANCHE 1) LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2019**

MONDAY



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19/08/2019  
COMPANIES HOUSE

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**BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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**COMPANY INFORMATION**

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|                             |  |
|-----------------------------|--|
| <b>Directors</b>            | G Alltimes<br>J Andrews<br>S Beaumont<br>P Eyres<br>O Hannan |
| <b>Company secretary</b>    | Fulcrum Infrastructure Management Limited                    |
| <b>Registered number</b>    | 05072649   |
| <b>Registered office</b>    | 105 Piccadilly<br>London<br>W1J 7NJ                          |
| <b>Independent auditors</b> | BDO LLP<br>55 Baker Street<br>London<br>W1U 7EU              |

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**BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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## **BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019**

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The Directors present their report and the financial statements for the year ended 31 March 2019.

#### **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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under Company law, the directors must not approve the financial statements unless 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 accounting 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; 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 to 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.

#### **PRINCIPAL ACTIVITY**

The Company carries on the business of a holding company under the NHS Local Improvement Finance Trust ("LIFT") programme.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £269,783 (2018 - £Nil).

Dividends of £269,783 (2018 - £Nil) were paid during the year.

#### **DIRECTORS**

The Directors who served during the year and up to the date of signature of the financial statements were:

G Alltimes  
J Andrews (appointed 6 June 2018)  
S Beaumont  
D Boyd (resigned 5 June 2018)  
T Dobrashian (resigned 6 June 2018)  
P Eyres  
J Whitehead (appointed 5 June 2018, resigned 30 November 2018)  
O Hannan (appointed 1 May 2019)

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**BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

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**QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

The Directors of BBH-LSL (FundCo HoldCo Tranche 1) Limited have qualifying third party indemnity provisions put in place through other companies of which they are also Directors.

**DISCLOSURE 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 the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**AUDITORS**

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 30 July 2019 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'S Beaumont', followed by a horizontal line and a small star-like flourish.

S Beaumont  
Director

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## BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED

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#### OPINION

We have audited the financial statements of BBH-LSL (FundCo HoldCo Tranche 1) Limited ("the Company") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its result 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.

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#### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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## **BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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#### **OTHER INFORMATION**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

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**BBH-LSL (FUND CO HOLDCO TRANCHE 1) LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BBH-LSL (FUND CO HOLDCO TRANCHE 1) LIMITED**

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**RESPONSIBILITIES OF DIRECTORS**

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

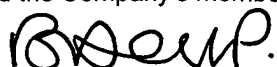
**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**USE OF OUR REPORT**

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 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.



Alexander Tapp (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London  
30 July 2019

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



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BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED

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STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2019

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|                                      | Note | 2019<br>£             | 2018<br>£       |
|--------------------------------------|------|-----------------------|-----------------|
| Profit for the financial year        |      | 269,783               | -               |
| <b>Profit before tax</b>             |      | <u>269,783</u>        | <u>-</u>        |
| <b>Profit for the financial year</b> |      | <u><u>269,783</u></u> | <u><u>-</u></u> |

The notes on pages 10 to 13 form part of these financial statements.

All amounts relate to continuing activities.

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**BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**  
**REGISTERED NUMBER: 05072649**

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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

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|  | Note | 2019<br>£        | 2018<br>£        |
|--|------|------------------|------------------|
| <b>Fixed assets</b>                          |      |                  |                  |
| Investments                                  | 4    | 1,113,226        | 1,008,226        |
| <b>Total assets less current liabilities</b> |      | <u>1,113,226</u> | <u>1,008,226</u> |
| <b>Net assets</b>                            |      | <u>1,113,226</u> | <u>1,008,226</u> |
| <b>Capital and reserves</b>                  |      |                  |                  |
| Called up share capital                      | 6    | 60,000           | 60,000           |
| Share premium account                        |      | 1,053,226        | 948,226          |
|  |      | <u>1,113,226</u> | <u>1,008,226</u> |

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 July 2019.

  
**S Beaumont**  
Director

The notes on pages 10 to 13 form part of these financial statements.

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**BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2019**

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|  | Called up<br>share capital | Share<br>premium<br>account | Profit and<br>loss account | Total equity     |
|--|----------------------------|-----------------------------|----------------------------|------------------|
|  | £                          | £                           | £                          | £                |
| At 1 April 2018                                | 60,000                     | 948,226                     | -                          | 1,008,226        |
| <b>Comprehensive income for the year</b>       |                            |                             |                            |                  |
| Profit for the year                            | -                          | -                           | 269,783                    | 269,783          |
| <b>Total comprehensive income for the year</b> | -                          | -                           | 269,783                    | 269,783          |
| Dividends: Equity capital (see note 3)         | -                          | -                           | (269,783)                  | (269,783)        |
| Share premium added during the year            | -                          | 105,000                     | -                          | 105,000          |
| <b>Total transactions with owners</b>          | -                          | 105,000                     | (269,783)                  | (164,783)        |
| <b>At 31 March 2019</b>                        | <b>60,000</b>              | <b>1,053,226</b>            | <b>-</b>                   | <b>1,113,226</b> |

The notes on pages 10 to 13 form part of these financial statements.

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**BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

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|  | Called up<br>share capital<br>£ | Share<br>premium<br>account<br>£ | Total equity<br>£ |
|--|---------------------------------|----------------------------------|-------------------|
| At 1 April 2017                                | 50,010                          | -                                | 50,010            |
| <b>Total comprehensive income for the year</b> | -                               | -                                | -                 |
| Shares issued during the year                  | 9,990                           | 948,226                          | 958,216           |
| <b>Total transactions with owners</b>          | 9,990                           | 948,226                          | 958,216           |
| <b>At 31 March 2018</b>                        | 60,000                          | 948,226                          | 1,008,226         |

The notes on pages 10 to 13 form part of these financial statements.

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## **BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

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#### **1. ACCOUNTING POLICIES**

##### **1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical costs convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Companies Act 2006.

The financial statements are presented in pounds sterling which is the Company's functional currency and rounded to the nearest pound. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. No significant judgements or estimates have been used in the preparation of these financial statements.

The following principal accounting policies have been applied:

##### **1.2 VALUATION OF INVESTMENTS**

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

##### **1.3 COMPANY DISCLOSURE EXEMPTIONS**

In preparing the financial statements of the Company, advantage has been taken of the following disclosure exemption available in FRS 102, as a result of the company being a small entity:

- No cash flow statement has been presented for the Company.

##### **1.4 BASIS OF CONSOLIDATION**

Consolidated financial statements have not been prepared for the company and its subsidiaries under the exemption granted by Section 398 of the Companies Act 2006. Accordingly, these financial statements present information about the company and not about its group.

##### **1.5 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### **2. AUDITORS' REMUNERATION**

Auditors' remuneration is borne by Building Better Health - Lambeth Southwark Lewisham Limited, the parent company.

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**BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**3. DIVIDENDS**

|   | 2019<br>£      | 2018<br>£ |
|---|----------------|-----------|
| Dividends paid - £4 per share (2018 - £Nil per share) | 269,783        | -         |
|   | <u>269,783</u> | <u>-</u>  |

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**BBH-LSL (FUNDSCO HOLDCO TRANCHE 1) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**4. FIXED ASSET INVESTMENTS**

|                          | Shares in<br>group<br>undertakings<br>£ |
|--------------------------|---|
| <b>COST OR VALUATION</b> |   |
| At 1 April 2018          | 1,008,226                               |
| Additions                | 105,000                                 |
| At 31 March 2019         | <u>1,113,226</u>                        |

**NET BOOK VALUE**

|                  |                  |
|------------------|------------------|
| At 31 March 2019 | <u>1,113,226</u> |
| At 31 March 2018 | <u>1,008,226</u> |

**SUBSIDIARY UNDERTAKINGS**

The following were subsidiary undertakings of the Company:

| <b>Name</b>                           | <b>Country of<br/>incorporation</b> | <b>Class of<br/>shares</b> | <b>Holding</b> | <b>Principal<br/>activity</b>                |
|---------------------------------------|-------------------------------------|----------------------------|----------------|--|
| BBH-LSL (Fundco<br>Tranche 1) Limited | England and<br>Wales                | Ordinary                   | 100 %          | Property<br>development<br>and<br>management |

| <b>Name</b>                           | <b>Business</b>                        | <b>Registered office</b>           |
|---------------------------------------|--|------------------------------------|
| BBH-LSL (Fundco<br>Tranche 1) Limited | Property development<br>and management | 105 Piccadilly, London,<br>W1J 7NJ |

The aggregate of the share capital and reserves as at 31 March 2019 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

|                                    | Aggregate of<br>share capital<br>and reserves<br>£ | Profit/(loss)<br>after tax<br>£ |
|------------------------------------|--|---------------------------------|
| BBH-LSL (Fundco Tranche 1) Limited | (2,829,957)  | 535,889                         |
|                                    | <u>(2,829,957)</u>                                 | <u>535,889</u>                  |

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**BBH-LSL (FUND CO HOLD CO TRANCHE 1) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**5. FINANCIAL INSTRUMENTS**

At the reporting date, the company had no financial instruments (2018: £Nil)

**6. SHARE CAPITAL**

|   | 2019<br>£ | 2018<br>£ |
|---|-----------|-----------|
| <b>AUTHORISED, ALLOTTED, CALLED UP AND FULLY PAID</b> |           |           |
| 60,000 (2018 - 60,000) ordinary shares of £1.00 each  | 60,000    | 60,000    |

The bank lender of the subsidiary has a registered charge over the whole share capital of the Company.

**7. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption provided in FRS 102 not to disclose transactions with Companies within the group of which it is a member, where these transactions occur between entities which are 100% owned members of that group.

**8. CONTROLLING PARTY**

The Company is a 100% subsidiary of Building Better Health - Lambeth Southwark Lewisham Limited, a Company incorporated in England and Wales. As the group qualifies as small, no consolidated financial statements are prepared for the group of which the Company is a member.

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.