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**BBH - SWL (FUND CO 3) LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**



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**BBH - SWL (FUND CO 3) LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	G Alltimes S Beaumont J Andrews P Moore O Hannan
<b>Company secretary</b>	Fulcrum Infrastructure Group Services Limited
<b>Registered number</b>	07655945
<b>Registered office</b>	105 Piccadilly London W1J 7NJ
<b>Independent auditor</b>	BDO LLP 55 Baker Street London W1U 7EU

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**BBH - SWL (FUND CO 3) LIMITED**

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## **BBH - SWL (FUND CO 3) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present their report and the financial statements for the year ended 31 March 2020.

#### **DIRECTORS' RESPONSIBILITIES STATEMENTS**

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 for the Company's financial statements and then apply them consistently;
- make judgements 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 ACTIVITIES AND REVIEW OF BUSINESS**

The Company carries on the business of development and financing the construction of property projects, plus management and provision of associated services, for the NHS Local Improvement Finance Trust ("LIFT") programme in South West London.

The directors have assessed the impact of Covid-19 and do not believe there is a risk to going concern, this is covered further in Note 1.2.

#### **RESULTS AND DIVIDENDS PROPOSED**

The profit for the year, after taxation, amounted to £148,727 (2019 - £143,008).

Dividends of £83,571 (2019 - £409,278) 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  
S Beaumont  
J Andrews  
P Moore  
O Hannan (appointed 1 May 2019)

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**BBH - SWL (FUND CO 3) LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2020**

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**QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

The directors of BBH-SWL (Fundco 3) Limited have qualifying third party indemnity provisions put in place through other companies of which they are also directors.

**DISCLOSURE OF INFORMATION TO AUDITOR**

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

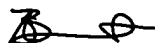
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**AUDITOR**

Under section 487(2) of the Companies Act 2006, BDO LLP will be deemed to have been reappointed as auditor 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.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by the Companies Act 2006.

This report was approved by the board on 30 July 2020 and signed on its behalf.



**S Beaumont**  
Director

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## BBH - SWL (FUND CO 3) LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BBH - SWL (FUND CO 3) LIMITED

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#### OPINION

We have audited the financial statements of BBH - SWL (Fundco 3) Limited ("the Company") for the year ended 31 March 2020 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 2020 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.

#### 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 - SWL (FUND CO 3) LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BBH - SWL (FUND CO 3) 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 - SWL (FUND CO 3) LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BBH - SWL (FUND CO 3) 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 2020

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



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**BBH - SWL (FUND CO 3) LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

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	Note	2020 £	2019 £
Turnover	2	293,657	309,762
Cost of sales		(223,908)	(229,020)
<b>Gross profit</b>		<u>69,749</u>	<u>80,742</u>
Interest receivable and similar income	5	777,316	789,394
Interest payable and expenses	6	(681,641)	(689,530)
<b>Profit before tax</b>		<u>165,424</u>	<u>180,606</u>
Tax on profit	7	(16,697)	(37,598)
<b>Profit for the financial year</b>		<u><u>148,727</u></u>	<u><u>143,008</u></u>
 <b>Total comprehensive income for the year</b>		 <u><u>148,727</u></u>	 <u><u>143,008</u></u>

The notes on pages 10 to 23 form part of these financial statements.

All amounts relate to continuing activities.


**BBH - SWL (FUND CO 3) LIMITED**  
**REGISTERED NUMBER: 07655945**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Financial asset	9	11,145,541	11,246,248
		<u>11,145,541</u>	<u>11,246,248</u>
<b>Current assets</b>			
Debtors	10	232,169	156,628
Cash at bank and in hand	11	446,500	415,302
		<u>678,669</u>	<u>571,930</u>
Creditors: amounts falling due within one year	12	(595,873)	(442,560)
<b>Net current assets</b>		<u>82,796</u>	<u>129,370</u>
<b>Total assets less current liabilities</b>		<u>11,228,337</u>	<u>11,375,618</u>
Creditors: amounts falling due after more than one year	13	(10,902,055)	(11,114,492)
<b>Net assets</b>		<u><u>326,282</u></u>	<u><u>261,126</u></u>
<b>Capital and reserves</b>			
Called up share capital	17	10	10
Profit and loss account		326,272	261,116
		<u><u>326,282</u></u>	<u><u>261,126</u></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 2020.



**S Beaumont**  
Director

The notes on pages 10 to 23 form part of these financial statements.

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**BBH - SWL (FUND CO 3) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

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	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2019	10	261,116	261,126
<b>Comprehensive income for the year</b>			
Profit for the year	-	148,727	148,727
<b>Total comprehensive income for the year</b>	-	148,727	148,727
Dividends: Equity capital (see note 8)	-	(83,571)	(83,571)
<b>Total transactions with owners</b>	-	(83,571)	(83,571)
<b>At 31 March 2020</b>	10	326,272	326,282

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**BBH - SWL (FUND CO 3) LIMITED**

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

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	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2018	10	527,386	527,396
<b>Comprehensive income for the year</b>			
Profit for the year	-	143,008	143,008
<b>Total comprehensive income for the year</b>	-	143,008	143,008
Dividends: Equity capital (see note 8)	-	(409,278)	(409,278)
<b>Total transactions with owners</b>	-	(409,278)	(409,278)
<b>At 31 March 2019</b>	10	261,116	261,126

The notes on pages 10 to 23 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

BBH-SWL (Fundco 3) Limited is a private company, limited by shares, registered and domiciled in the UK (England and Wales). 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. Details of these are given in note 1.8.

The following principal accounting policies have been applied:

**1.2 GOING CONCERN**

The financial statements are prepared on the going concern basis which assumes that the company will be able to continue in operation for the foreseeable future.

The directors have considered the available funding facilities, cash flow projections and financial projections that are agreed as part of the 30 year business plan model agreed at financial close. In addition, the company has in place SWAP arrangements with the funder that protect against Retail Price Index and interest rate fluctuations.

The directors have considered the potential impact to the business from the effects of the current pandemic (Covid-19) and have put in place plans to mitigate the currently known, and potential risks to business continuity. As income is guaranteed through the 30 year Lease Plus Agreement, and the content of the Cabinet Office Policy Note PPN 02/20 indicates that public bodies will continue to pay their suppliers, the directors do not believe that there is any material risk to income or cashflows. On this basis, the directors anticipate that the company will continue to meet its business obligations as they fall due over the coming twelve months. After considering these matters and in light of the recent forecasts of the company, the directors consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

**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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

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1. ACCOUNTING POLICIES (continued)

1.4 TURNOVER

**a) Public to private concession arrangements**

A substantial portion of the Company's assets are used within the framework of concession contracts granted by public sector customers ('grantors'). Under these contracts, the Company constructed a primary care centre that are leased to the NHS on a 30 year lease.

To fall within the scope of section 34 of FRS 102, a contract must satisfy the following two criteria:

- The grantor controls or regulates what service the operator must provide using the infrastructure, to whom, and at what price; and
- The grantor controls, through ownership, beneficial entitlement or otherwise, any significant residual interest in the Infrastructure at the end of the term of the arrangement.

Pursuant to section 34 of FRS 102, such infrastructure is not recognised in assets of the operator as property, plant, and equipment but as financial assets ("financial asset model").

**b) Financial asset model**

The financial asset model applies when the operator has an unconditional right to receive cash or another financial asset from the grantor.

In the case of concession services, the operator has an unconditional right if the grantor contractually guarantees the payment of:

- The amounts specified or determined in the contract, or
- The shortfall, if any, between amounts received from users of the public service and amounts specified or determined in the contract.

Financial assets resulting from the application of section 34 of FRS 102 are recorded in the Statement of Financial Position under the heading financial asset and measured at amortised cost.

Pursuant to section 23 of FRS 102, revenue associated with this financial model comprises of revenue determined on a completion basis in the case of the construction of operating financial asset and service remuneration.

**(c) Other revenue items**

Other revenue items comprise 'Property management and related services', 'Rental income' and 'Other income'. Property management and related services revenue relates to SPV maintenance and facilities management income and ad hoc property related services income. Construction revenue relates to construction and lifecycle maintenance income. The former relates to work performed by the Company under concession arrangements to maintain and repair the primary care centres that it operates. Consideration received in respect of property management and related services income is only recorded as turnover to the extent that the Company has performed its contractual obligations in respect of that consideration, and turnover attributable to costs in future periods is deferred. Rental income from operating leases is recognised in turnover on a straight-line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**1. ACCOUNTING POLICIES (continued)**

**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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**1.6 CURRENT TAXATION**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

**1.7 BANK BORROWINGS**

Project specific interest costs incurred in the performance of the service concession contract, including net amounts payable on interest rate swaps, are expensed using the effective interest rate method. The effective interest method is a method of calculating the amortised costs of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the net carrying amount on initial recognition. Arrangement fees are netted off against the carrying value of the loan facility and charged to the profit or loss over the term of the debt.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

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1. ACCOUNTING POLICIES (continued)

JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION  
1.8 UNCERTAINTY

a) Key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following estimates:

i) Service margin rates

A margin of risk was applied to the costs incurred in calculating the value of the financial asset. The calculation of the margin has been back-solved by applying the expected cashflows, reducing the financial asset to zero by the end of the concession period. It is the policy of the directors that the service margin is reviewed and adjusted for any fundamental changes in the contractual arrangements to generate a new margin rate which is applied to the following year. The treatment is applied to the following costs which has been agreed in the market as the standard percentages:

- Construction costs - 5.69% (2019: 5.54%)
- Operating costs - 5.69% (2019: 5.54%)
- Lifecycle costs – 5.69% (2019: 5.54%)

ii) Financial asset interest rate

The calculation of the financial asset interest rate is based on the weighted average cost of capital of the project and is applied to the carrying value of the financial asset on a quarterly basis. The interest rate used in 2020 was 7.70% (2019: 7.70%) per annum.

b) Critical Judgements

Concession arrangements - The concession arrangements undertaken by the Company are considered to fall within the scope of section 34 of FRS 102 "Service Concession Arrangements" as described in the Turnover note. This judgement has been based on a consideration of the nature and terms of the agreements and, in all contracts, the existence of an option for the grantor to purchase the property at the end of the concession.



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**BBH - SWL (FUND CO 3) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. TURNOVER**

Turnover comprises of Contract Revenues according to FRS 102, Section 34 recognised by the Company during the financial year.

	2020 £	2019 £
Pass through costs	6,400	9,638
Contract revenue	287,257	300,124
<b>Contract revenue</b>	<b>293,657</b>	<b>309,762</b>

All turnover arose within the United Kingdom.

**3. AUDITOR'S REMUNERATION**

Audit fees are borne by South West London Health Partnerships Limited, a group company.

**4. EMPLOYEES**

The Company has no employees other than the directors, who did not receive any remuneration (2019 - £NIL)

**5. INTEREST RECEIVABLE**

	2020 £	2019 £
Bank interest receivable	931	1,102
Financial asset interest	776,385	788,292
	<b>777,316</b>	<b>789,394</b>

**6. INTEREST PAYABLE**

	2020 £	2019 £
On bank interest payable	566,298	574,503
On loans from participating interests	23,069	23,005
On loans from group undertakings	92,274	92,022
	<b>681,641</b>	<b>689,530</b>

**BBH - SWL (FUND CO 3) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**7. TAXATION**

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on profits for the year	31,308	34,255
Adjustments in respect of previous periods	(8,219)	35,399
	<u>23,089</u>	<u>69,654</u>
<b>Total current tax</b>	<u>23,089</u>	<u>69,654</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	3,075	(32,056)
Changes to tax rates	(9,467)	-
<b>Total deferred tax</b>	<u>(6,392)</u>	<u>(32,056)</u>
<b>Taxation on profit on ordinary activities</b>	<u>16,697</u>	<u>37,598</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>165,424</u>	<u>180,606</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	31,431	34,315
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(123)	(60)
Adjustments to tax charge in respect of prior periods	(8,219)	35,399
Timing differences leading to an increase (decrease) in taxation	(6,392)	(32,056)
<b>Total tax charge for the year</b>	<u>16,697</u>	<u>37,598</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

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**BBH - SWL (FUND CO 3) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**8. DIVIDENDS**

	2020 £	2019 £
<b>Ordinary</b>		
Dividends paid - £8,357 per share (2019 - £40,928 per share)	83,571	409,278
	<u>83,571</u>	<u>409,278</u>

**9. FINANCIAL ASSET**

	2020 £	2019 £
<b>Service concession financial asset</b>		
As at the start of the year (1 April)	11,246,248	11,307,104
Cash received	(877,092)	(849,148)
Other interest receivable	776,385	788,292
	<u>11,145,541</u>	<u>11,246,248</u>

**10. DEBTORS**

	2020 £	2019 £
<b>Due after more than one year</b>		
Deferred tax asset (note 15)	89,939	83,547
	<u>89,939</u>	<u>83,547</u>
<b>Due within one year</b>		
Trade debtors	106,595	72,407
Other debtors	2,947	-
Prepayments and accrued income	32,688	674
	<u>232,169</u>	<u>156,628</u>

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**BBH - SWL (FUND CO 3) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**11. CASH AND CASH EQUIVALENTS**

	2020 £	2019 £
Cash at bank and in hand	446,500	415,302
	<u>446,500</u>	<u>415,302</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Bank loans	197,202	167,632
Trade creditors	6,354	-
Amounts owed to group undertakings	121,832	9,981
Amounts owed to related parties	10,527	-
Corporation tax	-	20,711
VAT creditor	52,225	49,201
Other creditors	31,970	38,080
Accruals and deferred income	175,763	156,955
	<u>595,873</u>	<u>442,560</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020 £	2019 £
Bank loans	9,494,016	9,691,217
Amounts owed to participating interests	203,588	203,588
Amounts owed to group undertakings	814,351	814,351
Loan arrangement fees	(65,175)	(68,029)
Accruals and deferred income	455,275	473,365
	<u>10,902,055</u>	<u>11,114,492</u>

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**BBH - SWL (FUND CO 3) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**14. LOANS**

Analysis of the maturity of loans is given below:

	2020 £	2019 £
<b>Amounts falling due within one year</b>		
Bank loans	197,202	167,632
	<u>197,202</u>	<u>167,632</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	213,674	197,201
	<u>213,674</u>	<u>197,201</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	704,002	691,536
	<u>704,002</u>	<u>691,536</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	8,576,340	8,802,480
Amounts owed to participating interests	203,588	203,588
Amounts owed to group undertakings	814,351	814,351
	<u>9,594,279</u>	<u>9,820,419</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2020 £	2019 £
Repayable by instalments	8,576,340	8,802,480
Repayable other than by instalments	1,017,939	1,017,939
	<u>9,594,279</u>	<u>9,820,419</u>

The bank loans bear interest at a fixed rate of 5.75%, repayable by instalments over the period to 10 February 2042, and are secured by various fixed and floating charges over the Company's assets.

Loans from group entities and participating interests bear interest at 11.3% per annum, payable every six months. No principal is due to be repaid within the next 12 months. The loans are repayable on 11 February 2043.

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15. DEFERRED TAXATION

	2020 £	2019 £
At beginning of year	83,547	51,491
Credited / (Charged) to profit or loss	6,392	32,056
<b>At end of year</b>	<b>89,939</b>	<b>83,547</b>

The deferred tax asset is made up as follows:

	2020 £	2019 £
Tax losses carried forward	89,939	83,547
	<b>89,939</b>	<b>83,547</b>

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16. FINANCIAL INSTRUMENTS

16.1 Financial instruments by category

The information set out below provides information about how the Company determines fair values of various financial assets and financial liabilities. The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company considers that the fair value of cash and cash equivalents, loans, trade and other receivables, and trade and other payables are not materially different to their carrying value.

The fair value of the service concession financial asset reflects the carrying amount for the period ended 31 March 2020. The carrying amount of the service concession financial asset for the period comprises construction revenue, service revenue and interest offset by the unitary charge received since incorporation up to the reporting date.

The Company's financial instrument may be analysed as follows:

	2020 £	2019 £
<b>Financial Assets</b>		
Financial assets measured at amortised cost	11,730,667	11,733,957
	<u>11,730,667</u>	<u>11,733,957</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(11,510,878)	(11,063,712)
	<u>(11,510,878)</u>	<u>(11,063,712)</u>

Financial assets measured at amortised cost comprises cash at bank, trade debtors, other debtors, amounts owned by associated undertakings and service concession financial assets.

Financial liabilities measured at amortised cost comprises trade creditors, other creditors, bank loans and overdrafts and amounts owed to related parties and amounts owed to associated and group undertakings.

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**BBH - SWL (FUND CO 3) LIMITED**

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**17. SHARE CAPITAL**

	2020 £	2019 £
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
10 Ordinary shares of £1 each	10	10
	<u>10</u>	<u>10</u>



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**18. 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.

	Income / (expense)	Income / (expense)	Debtor / (creditor) as at 31 March	Debtor / (creditor) as at 31 March
	2020	2019	2020	2019
<b>Financial asset income</b>				
Community Health Partnerships Limited, a shareholder in South West London Health Partnerships Limited	1,013,362	1,029,634	109,493	76,247
<b>Bad debts provided for and provision at year end</b>				
Community Health Partnerships Limited, a shareholder in South West London Health Partnerships Limited	645	(713)	(4,106)	(4,751)
<b>Loans</b>				
Community Health Partnerships Limited, a shareholder in South West London Health Partnerships Limited	-	-	(203,588)	(203,588)
Fulcrum Infrastructure Group Limited, a parent company	-	-	(814,351)	(814,351)
<b>Interest payable and accrued interest</b>			<b>Payable and included within Accruals at 31 March 2020</b>	<b>Payable and included within Accruals at 31 March 2019</b>
Community Health Partnerships Limited, a shareholder in South West London Health Partnerships Limited	(23,069)	(23,005)	(11,536)	(11,473)
Fulcrum Infrastructure Group Limited, a parent company	(92,274)	(92,022)	(46,135)	(45,883)

From 1 February 2020, the company's facilities management services have been provided by Kudos Services Limited, a company which a parent company, Fulcrum Infrastructure Group Limited, owns a 20% shareholding. Costs of £17,544 (2019: £Nil) were recognised in the year. At the year end £10,527 (2019: £Nil) was due and included within amounts owed to related parties.

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**19. ULTIMATE PARENT UNDERTAKING**

The Company is a 100% subsidiary of BBH-SWL (HoldCo 3) Limited, a company incorporated in England and Wales.

The parent company of BBH-SWL (HoldCo 3) Limited is South West London Health Partnerships 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 South West London Health Partnerships Limited there is no effective control by any individual shareholder.