

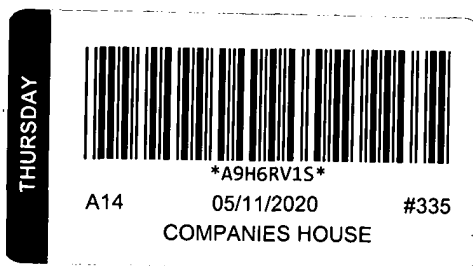
Equity Solutions LIFT Investments Cornwall Limited

Directors' Report and Financial Statements

Year Ended

30 April 2020

Company Number 05039648



Equity Solutions LIFT Investments Cornwall Limited

Company Information

Directors	M Dwan A Nottingham
Company secretary	North Consulting Limited
Registered number	05039648
Registered office	Building 1000 Kings Reach Yew Street Stockport SK4 2HG
Independent auditor	BDO LLP 3 Hardman Street Manchester M3 3AT

Equity Solutions LIFT Investments Cornwall Limited

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Equity Solutions LIFT Investments Cornwall Limited

Directors' Report For the Year Ended 30 April 2020

The Directors present their report and the audited financial statements for the year ended 30 April 2020.

Principal activity

The principal activity of the Company during the year was to provide business management services to Community 1st Cornwall Limited and the associated supply chain.

Directors

The Directors who served during the year were:

M Dwan
A Nottingham

Going concern

On 31 January 2020, the World Health Organisation (WHO) announced a global health emergency in relation to the COVID-19 outbreak and the risks to the international community as the virus spreads globally beyond its point of origin. As a result of the rapid increase in exposure globally, on 11 March 2020, the WHO classified the COVID-19 outbreak as a pandemic.

In the annual review of the Company's going concern, the Directors have considered the long term impact of the COVID-19 pandemic. The Group headed by this Company has entered into long-term contracts with both the clients and suppliers, and after a careful review of these contracts the Directors are confident that the Group can continue to operate as normal for the next twelve months. The Directors have committed to carrying out regular reviews of the Group's cash flows to monitor the ongoing situation.

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.

Post balance sheet events

The Directors have given due consideration and concluded that there have been no events that have had a significant impact on the Company since the year end.

Auditor

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

Equity Solutions LIFT Investments Cornwall Limited

Directors' Report (continued)
For the Year Ended 30 April 2020

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



J Connolly
For and on behalf of North Consulting Limited
Secretary

Equity Solutions LIFT Investments Cornwall Limited

Directors' Responsibilities Statement For the Year Ended 30 April 2020

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 judgements and accounting estimates that are reasonable and prudent; 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 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.

Equity Solutions LIFT Investments Cornwall Limited

Independent Auditor's report to the members of Equity Solutions LIFT Investments Cornwall Limited

Opinion

We have audited the financial statements of Equity Solutions Lift Investments Cornwall Limited ("the Company") for the year ended 30 April 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and the 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 30 April 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.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, 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.

Equity Solutions LIFT Investments Cornwall Limited

Independent Auditor's report to the members of Equity Solutions LIFT Investments Cornwall Limited (continued)

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 Directors' 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.

Responsibilities of directors

As explained more fully in the Statement of Directors Responsibilities, 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.

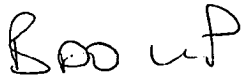
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Equity Solutions LIFT Investments Cornwall Limited

Independent Auditor's report to the members of Equity Solutions LIFT Investments Cornwall Limited (continued)

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.



Stuart Wood (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Manchester
United Kingdom

3 November 2020

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

Equity Solutions LIFT Investments Cornwall Limited

Statement of Comprehensive Income For the Year Ended 30 April 2020

	Note	2020 £	2019 £
Administrative expenses		(1,882)	(9,708)
Gain on revaluation of fixed asset investments	6	9,397,622	877,549
Operating profit		9,395,740	867,841
Interest receivable and similar income		270,605	322,254
Interest payable and similar expenses		(112,204)	(176,270)
Profit before tax		9,554,141	1,013,825
Tax on profit		(29,739)	-
Profit for the financial year		9,524,402	1,013,825

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 10 to 15 form part of these financial statements.

Equity Solutions LIFT Investments Cornwall Limited
Registered number:05039648

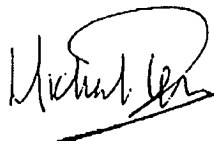
Statement of Financial Position
As at 30 April 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	6	40,419,647	31,022,025
Current assets			
Debtors	7	2,064,567	2,195,849
Cash at bank and in hand		120,956	149,396
		<u>2,185,523</u>	<u>2,345,245</u>
Creditors: amounts falling due within one year	8	<u>(632,457)</u>	<u>(624,959)</u>
Net current assets		<u>1,553,066</u>	<u>1,720,286</u>
Total assets less current liabilities		<u>41,972,713</u>	<u>32,742,311</u>
Creditors: amounts falling due after more than one year	9	<u>(1,562,500)</u>	<u>(1,712,500)</u>
Net assets		<u><u>40,410,213</u></u>	<u><u>31,029,811</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		40,410,113	31,029,711
Total equity		<u><u>40,410,213</u></u>	<u><u>31,029,811</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

30 October 2020



M Dwan
Director

The notes on pages 10 to 15 form part of these financial statements.

Equity Solutions LIFT Investments Cornwall Limited

Statement of Changes in Equity For the Year Ended 30 April 2020

	Called up share capital £	Profit and loss account £	Total equity £
At 1 May 2018	100	30,159,886	30,159,986
Comprehensive income for the year			
Profit for the year	-	1,013,825	1,013,825
Total comprehensive income for the year	-	1,013,825	1,013,825
Contributions by and distributions to owners			
Dividends	-	(144,000)	(144,000)
Total transactions with owners	-	(144,000)	(144,000)
At 1 May 2019	100	31,029,711	31,029,811
Comprehensive income for the year			
Profit for the year	-	9,524,402	9,524,402
Total comprehensive income for the year	-	9,524,402	9,524,402
Contributions by and distributions to owners			
Dividends	-	(144,000)	(144,000)
Total transactions with owners	-	(144,000)	(144,000)
At 30 April 2020	100	40,410,113	40,410,213

The notes on pages 10 to 15 form part of these financial statements.

Equity Solutions LIFT Investments Cornwall Limited

Notes to the Financial Statements For the Year Ended 30 April 2020

1. General information

Equity Solutions LIFT Investments Cornwall Limited is a private company limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the company's operations and its principal activity is described on the Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified for the valuation of Fixed Asset Investments and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, and the Companies Act 2006.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of Section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The preparation of financial statements in compliance with FRS 102 Section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The presentation currency is pounds sterling (GBP) and all amounts in these financial statements have been rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Going concern

In the annual review of the Company's going concern, the Directors have considered the long term impact of the COVID-19 pandemic. Recent Government Procurement Policy Note sets out information and guidance for public bodies on payment of their suppliers to ensure service continuity during and after the current coronavirus, COVID-19, outbreak confirming that the suppliers will continue to be paid as normal. The Group headed by this Company has entered into long-term contracts with its customers and suppliers, and after careful review of these contracts the Directors are confident that the Group can operate as normal for the next twelve months. The Directors have committed to carrying out regular reviews of the Group's cash flows to monitor the ongoing situation.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2.3 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Equity Solutions LIFT Investments Cornwall Limited

Notes to the Financial Statements For the Year Ended 30 April 2020

2. Accounting policies (continued)

2.5 Valuation of investments

Investments in subsidiary companies are included at a market value basis, with the market value revisited annually by the directors. Revaluation gains and losses are included within other operating income within the Statement of Comprehensive Income.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Dividends

Equity dividends are recognised when they become legally payable.

Equity Solutions LIFT Investments Cornwall Limited

Notes to the Financial Statements For the Year Ended 30 April 2020

2. Accounting policies (continued)

2.11 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and 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 in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Directors have not had to make any significant judgements.

Other key sources of estimation uncertainty

- Investments (see note 6)

The most critical estimates, assumptions and judgements relate to the determination of carrying value of investments at fair value through profit or loss. The Company applies the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstances of the investment drive the valuation methodology. In this case, given that the Company's subsidiaries are all property companies, the fair value of the company is determined to approximate to the fair value of the net assets of the individual companies, which is largely made up of investment properties held at fair value and bank and sub debt held at amortised cost.

4. Employees

Other than the Directors, the Company employed no staff during either year.

5. Dividends

	2020 £	2019 £
Dividends paid of £1,440 (2019 - £1,440) per share	<u>144,000</u>	<u>144,000</u>

Equity Solutions LIFT Investments Cornwall Limited

Notes to the Financial Statements For the Year Ended 30 April 2020

6. Fixed asset investments

	Investments in subsidiary companies £
Valuation	
At 1 May 2019	31,022,025
Revaluations	9,397,622
At 30 April 2020	<u>40,419,647</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Community 1st Cornwall Limited	Ordinary	60%
Community 1st Cornwall (Holdco) Limited *	Ordinary	60%
Community 1st Cornwall (Torpoint) Limited *	Ordinary	60%

* Denotes indirect subsidiary

The address of Community 1st Cornwall Limited's registered office is Blue Support House, 17a Moorland Road, St. Austell, Cornwall, England, PL25 5BS.

The address of the registered office of all other subsidiary undertakings is Building 1000, Kings Reach, Yew Street, Stockport, SK4 2HG.

Investments in subsidiary companies were revalued on 30 April 2020 by the Directors on an open market basis.

7. Debtors

	2020 £	2019 £
Due after more than one year		
Amounts owed by group undertakings	1,970,310	2,028,904
Due within one year		
Amounts owed by group undertakings	93,867	166,935
Other debtors	390	10
	<u>2,064,567</u>	<u>2,195,849</u>

Amounts owed by group undertakings are interest free and repayable on demand.

Equity Solutions LIFT Investments Cornwall Limited

Notes to the Financial Statements For the Year Ended 30 April 2020

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	150,000	150,000
Trade creditors	7	5
Amounts owed to group undertakings	350,000	293,962
Corporation tax	29,739	-
Other creditors	94,189	166,215
Accruals and deferred income	8,522	14,777
	632,457	624,959

The bank loans are secured on the assets of the Company.

Amounts owed to group undertakings are interest free and repayable on demand.

9. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	1,562,500	1,712,500

Bank loans consist of floating rate loans totaling £1,712,500 (2019 - £1,862,500) at an interest rate of 4.25% p.a. repayable up to 9 years.

The bank loans are secured on the assets of the Company.

10. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Bank loans		
Falling due within one year	150,000	150,000
Falling due between 1 and 5 years	725,000	725,000
Falling due after more than 5 years	837,500	987,500
	1,712,500	1,862,500

Equity Solutions LIFT Investments Cornwall Limited

Notes to the Financial Statements For the Year Ended 30 April 2020

11. Related party transactions

The aggregated transactions and group balances owed to/from other companies in the group are as follows:

	2020	2019
	£	£
Amounts owed by group undertakings	2,064,177	2,195,839
Amounts owed to group undertakings	350,000	293,962
Interest receivable from group undertakings	270,605	322,254
	<u>2,684,782</u>	<u>2,812,055</u>

12. Post balance sheet events

The Directors have given due consideration and concluded that there have been no events that have had a significant impact on the Company since the year end.

13. Controlling party

The smallest group in which the results of the Company are consolidated is that headed by Equity Solutions Asset Management Limited, a company incorporated in England and Wales. The address of Equity Solutions Asset Management Limited's registered office is Building 1000, Kings Reach, Yew Street, Stockport, SK4 2HG.