

# **LOCHGILPHEAD HOLDCO LIMITED**

**ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**



**Registered Number: 09115553**

## LOCHGILPHEAD HOLDCO LIMITED

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### ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

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**DIRECTORS AND ADVISORS**

**Directors**

J P Brown (appointed on 15 December 2017)  
D M M Vermeer (appointed on 15 December 2017)  
W J Aiken (resigned on 15 December 2017)  
R J Thompson (resigned on 15 December 2017)

**Registered office**

Welken House  
10-11 Charterhouse Square  
London  
EC1M 6EH

**Independent Auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

**Bank**

HSBC Bank plc  
8 Canada Square  
London  
E14 5HQ

## LOCHGILPHEAD HOLDCO LIMITED

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### DIRECTORS' REPORT

The Directors submit their Directors' report and the audited financial statements of Lochgilphead Holdco Limited (the "Company"), together with the financial statements and auditor's report, for the period ended 31 December 2018. The subsidiary and associated undertakings principally affecting the profits or net assets of the Company in the period are listed in note 15 to the financial statements. The group qualifies as a small group under section 383 of The Companies Act 2006 and is not required to produce consolidated financial statements.

#### Principal Activities

The principal activity of the Company is to act as a holding company for its joint venture, Lochgilphead Healthcare Services (Holdings) Limited, whose principal activity is the provision of a hospital building and associated facilities management services in Lochgilphead, Scotland.

#### Future Developments

The Directors of the Company are not aware of any circumstances in which the principal activity of the company would alter or cease.

#### Results and Dividends

The profit and loss account is presented on page 6 and shows the result for the current period and preceding year.

The Company paid dividends amounting to £56k in the period (2017: £nil).

#### Going Concern

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance show that the Company should be able to operate within the level of its current resources. The Directors of the Company have had regard in this assessment to the support available from other Group companies and their ability to provide this support. As a consequence, the Directors believe the Company is well placed to manage its risks successfully despite the current economic uncertainties and the economic outlook. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period of at least 12 months from the date of the financial statements, taking into account both the positive retained earnings and the net assets position at the period end. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### Financial Risk Management

The Directors' Report has been prepared in accordance with the special provisions relating to small companies under s415a of the Companies Act 2006. As such, the Company is exempt from preparing a strategic report and from including financial risk management disclosures in the Directors' Report.

#### Strategic Report Exemption

The Directors report has been prepared in accordance with the special provisions relating to small companies under section 414b of the Companies Act 2006. As such the Company is exempt from preparing a Strategic Report.

#### Directors

The directors of the company during the period, and up to the date of signing the financial statements are set out below:

- Jonathan Brown (appointed 15 December 2017)
- Daniel Vermeer (appointed 15 December 2017)
- William Aiken (resigned 15 December 2017)
- Richard Thompson (resigned 15 December 2017)

#### Auditor

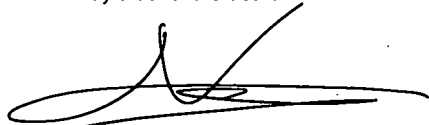
Each of the persons who is a Director at the date of approval of this annual report confirms that:

- 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 he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



D M M Vermeer  
Director  
13 September 2019

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOCHGILPHEAD HOLDCO LIMITED

### Opinion

We have audited the financial statements of Lochgilphead Holdco Limited (the "Company"), which comprise the balance sheet as at 31 December 2018, the profit and loss account and the statement of changes in equity for the period then ended, and the related notes, including significant accounting policies in note 2.

### In our opinion the financial statements:

- give a true and fair view of the financial position of the Company as at 31 December 2018, and of the Company's loss for the period ended;
- are prepared in accordance with United Kingdom accounting standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including FRC Ethical Standards. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

### Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.
- the directors were entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LOCHGILPHEAD HOLDCO LIMITED (CONTINUED)

### Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

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.



**Henry Todd (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
Canary Wharf  
London, E14 5GL  
13 September 2019

LOCHGILPHEAD HOLDCO LIMITED

**PROFIT AND LOSS ACCOUNT**

**FOR THE PERIOD ENDED 31 DECEMBER 2018**

	Notes	Period ended 31 December 2018	Year ended 30 September 2017
		£'000	£'000
Interest income		116	93
Dividend income from investments		56	207
Fair value (loss)/gain on investments	8	(143)	838
Other income		19	9
<b>Profit from operations</b>	3	<u>48</u>	<u>1,147</u>
Finance costs	5	(279)	(229)
Administration Expenses		(11)	(5)
<b>(Loss)/profit before tax</b>		<u>(242)</u>	<u>913</u>
Taxation	6	-	-
<b>(Loss)/profit after tax from continuing operations</b>		<u><u>(242)</u></u>	<u><u>913</u></u>

All of the above relates to continuing activities.

The Company has no recognised gains or losses other than those reported above, therefore no separate Statement of Other Comprehensive Income has been presented.

The notes on pages 9 to 13 form an integral part of the Financial Statements.



**LOCHGILPHEAD HOLDCO LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2018**

	Notes	As at 31 December 2018 £'000	As at 30 September 2017 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments held at fair value	8	<u>4,229</u>	<u>4,372</u>
		4,229	4,372
<b>Current assets</b>			
Cash and cash equivalents		-	82
Interest receivable	9	49	86
Other debtors	9	<u>11</u>	-
		60	168
<b>Total assets</b>		<u>4,289</u>	<u>4,540</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	(143)	(1)
<b>Net current (liabilities)/assets</b>		<u>(83)</u>	<u>167</u>
<b>Non-current liabilities</b>			
Borrowings	11	(2,955)	(3,050)
<b>Total liabilities</b>		<u>(3,098)</u>	<u>(3,051)</u>
<b>NET ASSETS</b>		<u>1,191</u>	<u>1,489</u>
<b>Equity</b>			
Share capital	12	6	6
Share premium		553	553
Retained earnings		632	930
<b>SHAREHOLDER'S EQUITY</b>		<u>1,191</u>	<u>1,489</u>

The notes on pages 9 to 13 form an integral part of the Financial Statements.

The financial statements of Lochgilphead Holdco Limited, registered number 09115553, were approved by the Board of Directors and authorised for issue on 13 September 2019 and were signed on its behalf by:



D M M Vermeer  
Director

LOCHGILPHEAD HOLDCO LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2018

	Share Capital £'000	Share Premium £'000	Retained Earnings £'000	Total £'000
Balance as at 1 October 2017	6	553	930	1,489
Loss for the period	-	-	(242)	(242)
Dividend paid	-	-	(56)	(56)
Balance as at 31 December 2018	6	553	632	1,191
Balance as at 1 October 2016	6	553	18	577
Profit for the year	-	-	912	912
Balance as at 30 September 2017	6	553	930	1,489

The notes on pages 9 to 13 form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

1 General Information

Lochgilphead Holdco Limited (the "Company") is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the companies operations and its principle activities are set out in the Directors report on page 2. These financial statements are presented in pounds sterling, being the currency of the primary economic environment in which the company operates. Monetary amounts are rounded to the nearest £'000.

2 Accounting Policies

a) Basis of preparation of accounts

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and applicable law. A summary of the principal accounting policies adopted by the Directors, which have been applied consistently in the current period, are shown below.

Consolidated financial statements have not been prepared for the company and its joint ventures since the group satisfies the definition of a small group and has applied the exemption available under s383 of the Companies Act 2006.

The Company has taken advantage of the exemption not to prepare a cash flow statement on the basis that it meets the definition, under the Companies Act 2006, of a small company.

b) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. It is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. In relation to the fair value exercise, interest revenue is adjusted to remove any double counting of cash flows.

c) Taxation

The tax currently payable is based on taxable profit for the period. Taxable profit differs from the net profit as reported in the Balance Sheet because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affect neither the taxable profit nor the accounting profit.

d) Investments

Investments are carried at fair value with changes recognised in the profit and loss account. The fair values of unlisted investments, which are not traded in an active market, are determined using discounted cash flow valuation techniques. The Directors principally use discounted cash flow analysis to make their best estimation of the fair value. The estimate of fair value may vary from the price achieved in an actual sale as potential acquirers may use different valuation criteria for their own strategic reasons. The discount rate used for the 2018 valuation is 6.06%.

The fair value estimation takes into account the future distributions to be received by the Company from its investments.

Future distributions involve a degree of uncertainty in terms of their amount and timing. Cash flows in the underlying investments are exposed to risks in relation to deductions that may be made by the relevant Government Authority in relation to performance conditions and inflation.

e) Going concern

Notwithstanding net current liabilities of £83k as at 31 December 2018, the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, through its borrowings from its parent Equitix Infrastructure 4 Limited to meet its liabilities as they fall due for that period.

Those forecasts are in part dependent on the parent entity Equitix Infrastructure 4 Limited not seeking repayment of the amounts currently due to the group, which at 31 December 2018 amounted to £2,955k, and providing additional financial support during that period. Equitix Fund IV LP has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the Balance Sheet date, for the period covered by the forecasts. As with any Company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**LOCHGILPHEAD HOLDCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018**

**2 Accounting Policies**

**f) Dividends**

Equity dividends are recognised once a legal right to receive has been established.

**g) Assessable risks**

*Credit risk*

The Company is not exposed to significant credit risk as the Company's sole and principal activity of the company is to act as a holding company for its joint venture, Lochgilphead Healthcare Facilities (Holdings) Limited. The Company only transacts with creditworthy PFI/PPP concession companies that have a cash flow derived from projects in agreement with government or semi-government authorities.

*Liquidity risk*

The Company adopts a prudent approach to liquidity management and maintains sufficient cash reserves at group level to meet its obligations.

*Foreign exchange risk*

The Company does not currently have any exposure to foreign currency exchange risk, nor does it have any immediate plans to geographically deviate its focus.

*Interest rate risk*

The Company is not exposed to interest rate risk as the interest rate on intercompany loans is fixed.

**3 Operating Profit**

The operating profit of the Company is attributable to the principal activity of the Company, all of which was carried out in the United Kingdom.

The audit fee for Lochgilphead Holdco Limited of £2,100 (2017: £2,000) has been borne by Equitix Fund IV LP, who will not seek compensation from the Company. There were no non-audit fees (2017: nil).

**4 Directors' Remuneration**

No staff were directly employed by the Company (2017: none).

No Directors received any remuneration for services to the Company during the period (2017: £nil). The Company is managed by secondees from Equitix Limited. No recharge for services rendered has been made during the period (2017: £nil).

**5 Finance Costs**

Finance costs are included in the Profit and Loss Account and comprise of the following:

	2018 £'000	2017 £'000
Interest expense on loans from immediate parent company	279	229
	<u>279</u>	<u>229</u>

**6 Tax Charge on Profit/(loss) from Ordinary Activities**

Taxation is based on profit for the period/year and comprises:

	2018 £'000	2017 £'000
UK corporation tax at a rate of 19% (2017: 20%)		
Current period	-	-
	<u>-</u>	<u>-</u>

The differences between the total current tax shown above and the amount calculated by applying the average rate of UK corporation tax to the profit before tax are as follows:

	2018 £'000	2017 £'000
(Loss)/profit on ordinary activities before tax	(242)	912
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2017: 19.50%)	(46)	178
Non-taxable UK dividends received	(11)	-
Income and fair value movements not subject to taxation	27	(178)
Losses not utilised in the period/year	30	-
<b>Total current tax charge for the period/year</b>	<u>-</u>	<u>-</u>

**LOCHGILPHEAD HOLDCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018**

**6 Tax Charge on Profit/(loss) from Ordinary Activities (continued)**

A deferred tax asset has not been recognised in respect of timing differences relating to excess management expenses for the period as there is insufficient evidence that the asset will be recovered.

A reduction in the UK corporation tax rate from 19% to 18% (effective 1 April 2020) was substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

**7 Dividends**

	2018 £'000	2017 £'000
The following interim dividends have been paid during the period:		
Interim dividend paid	56	-
	<u>56</u>	<u>-</u>

**8 Investments at Fair Value through Profit or Loss**

	2018 £'000	2017 £'000
Carrying value	4,229	4,372
Cost	<u>3,532</u>	<u>3,532</u>

*Reconciliation of value of investment*

	2018 £'000	2017 £'000
Opening balance	4,372	3,534
Fair value (loss)/gain on investments	(143)	838
Carrying amount at 31 December 2018 / 30 September 2017	<u>4,229</u>	<u>4,372</u>

The Directors have satisfied themselves as to the methodology used, the discount rates applied and the valuation. Further detail is given in note 2.

The following economic assumptions were used in the discounted cash flow valuations:

	2018	2017
UK inflation rates	3.2%*	4.1%
UK deposit interest rates	0.63%**	0.75%
UK corporation tax rate	19.00%***	19.25%

\* long term assumption 3%

\*\* long term assumption 1.7%

\*\*\* long term assumption 17%

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

**8 Investments at Fair Value through Profit or Loss (continued)**

Investments are generally restricted on their ability to transfer funds to the Company under the terms of the senior funding arrangement for that investment. Significant restrictions include:

- Historic and projected debt services and loan life cover ratios exceed a given threshold;
- Required cash reserve account levels are met;
- Project performance is in compliance with the terms of the senior funding arrangements; and
- Senior lenders have approved the annual budget for the Company

A list of principal investments of the Company can be found on page 13 of these financial statements.

<b>9 Trade and other Receivables</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
Interest receivable	49	86
Other debtors	11	-
	<u>60</u>	<u>86</u>

<b>10 Trade and other Payables</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
Interest payable	143	1
	<u>143</u>	<u>1</u>

<b>11 Loans and Borrowings</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
Loans from parent company	2,955	3,050
	<u>2,955</u>	<u>3,050</u>
Included on the Balance Sheet as follows:		
Current	-	-
Non-current	2,955	3,050
	<u>2,955</u>	<u>3,050</u>

The loan from Parent Company is repayable in full by 30 June 2042. Interest is charged on the loan at a rate of 7.5% plus the Bank of England Base Rate (2017: 7.5%, plus the Bank of England Base Rate).

<b>12 Share Capital</b>		<b>Authorised</b>	<b>Issued and unpaid</b>
	<b>2018 Number</b>	<b>2018 £</b>	<b>2018 £</b>
Ordinary shares of £1 each			
<b>As at 31 December 2018</b>	<u>559,207</u>	<u>5,592</u>	<u>5,592</u>

		<b>Authorised</b>	<b>Issued and unpaid</b>
	<b>2017 Number</b>	<b>2017 £</b>	<b>2017 £</b>
Ordinary shares of £1 each			
<b>As at 30 September 2017</b>	<u>559,207</u>	<u>5,592</u>	<u>5,592</u>

**LOCHGILPHEAD HOLDCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018**

**13 Related Party Transactions**

The following transactions took place between the Company and its related parties during the period.

<u>Profit and loss account transactions</u>	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Related Party	Interest income	Interest expense	Interest income	Interest expense
Equitix Infrastructure 4 Limited		(279)	-	-
Lochgilphead Healthcare Facilities (Holdings) Limited	172	-	93	-
Averon Park Limited	-	-	-	(229)
Foresight Group LLP	-	-	-	(5)
	<u>172</u>	<u>(279)</u>	<u>93</u>	<u>(234)</u>
 <u>Balance Sheet</u>	 2018 £'000	 2018 £'000	 2017 £'000	 2017 £'000
Related Party	Amounts owed by related parties	Amounts owed to related parties	Amounts owed by related parties	Amounts owed to related parties
Equitix Infrastructure 4 Limited		(3,098)	-	-
Lochgilphead Healthcare Facilities (Holdings) Limited	764	-	788	-
Averon Park Limited	-	-	-	(3,050)
	<u>764</u>	<u>(3,098)</u>	<u>788</u>	<u>(3,050)</u>

**14 Ultimate Parent Undertaking**

The Company's immediate parent company is Equitix Infrastructure 4 Limited, a company incorporated in the United Kingdom. The Company's ultimate parent and controlling entity, is Equitix Fund IV LP, a limited partnership registered in England and Wales. The Company's results are not consolidated as the Company and its parent entities meet the criteria of Investment Entities under IFRS 10. Copies of Equitix Infrastructure 4 Limited accounts can be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

**15 Subsidiaries and Joint Ventures as at 31 December 2018**

Company name	Percentage of shares held	Description	Registered Address
Lochgilphead Healthcare Services (Holdings) Limited	45%*	Parent company to Lochgilphead Healthcare Services Limited	Infrastructure Managers Limited, 2nd Floor, 11 Thistle Street, Edinburgh, EH2 1DF
Lochgilphead Healthcare Services Limited	45%**	Project company which covers the operation and management of the healthcare facilities	Infrastructure Managers Limited, 2nd Floor, 11 Thistle Street, Edinburgh, EH2 1DF

\* Designates investments that are held directly.

\*\* Designates investments that are held indirectly.