

Summit Healthcare (Wishaw) Limited

Annual Report and Financial Statements

For the Year Ended 31 March 2012

Registered Number SC182649

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Summit Finance (Wishaw) plc

Financial Statements

Year ended 31 March 2012

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Summit Finance (Wishaw) plc

Company Information

The board of directors	Andrew Leslie Tennant John Ivor Cavill David F. Gilmour Christopher Thomas Solley (Appointed 1 February 2012)
Company secretary	Infrastructure Managers Limited
Registered office	2nd Floor 11 Thistle Street Edinburgh EH2 1DF
Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Erskine House 68-73 Queen Street Edinburgh EH2 4NH
Bankers	Lloyds TSB Bank Plc 71 Lombard Street London EC3P 3BS
Solicitors	Dundas and Wilson Saltire Court 20 Castle Terrace Edinburgh EH1 2EN

Summit Finance (Wishaw) plc

The Directors' Report

Year ended 31 March 2012

The directors have pleasure in presenting their report and the financial statements of the Company for the year ended 31 March 2012.

Principal Activities and Business Review

The principal activity of the company is to provide finance for the design, building and operation of a new district general hospital at Wishaw, Lanarkshire for what is now the Lanarkshire Acute Hospitals Trust. The Directors do not anticipate any change to the principal activity of the company in the foreseeable future.

Principal Risks and Uncertainties

The key business risk affecting the group is the movement in the retail price index to which the majority of its income is linked. This is mitigated by linking the groups future expenses to the retail price index.

Key Performance Indicators

The Directors believe that the analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the performance or position of the Company.

Results and Dividends

The profit for the year amounted to £nil (2011: loss £nil). The directors have not recommended a dividend.

The company commenced trading on 24 June 1998 when it raised £136,556,000 by issuing 6.484% Guaranteed Secured Bonds 2028, the net proceeds of which it immediately lent on to its parent company, in respect of the financing of the New Law General Hospital at Wishaw, Lanarkshire.

Financial Instruments

Details of the Company's financial risk management objectives and policies are included in note 1 to the accounts. The fair values of the financial instruments are included in note 10 to the accounts.

Directors

The directors who served the Company during the year and up to the date of this report are listed on page 1.

Summit Finance (Wishaw) plc

The Directors' Report *(continued)*

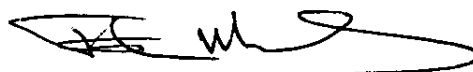
Year ended 31 March 2012

Auditor

PricewaterhouseCoopers LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office:
2nd Floor
11 Thistle Street
Edinburgh
EH2 1DF

Signed by order of the directors



Infrastructure Managers Limited
Company Secretary

Approved by the directors on 28 September 2012

Summit Finance (Wishaw) plc

Statement of Directors' Responsibilities

Year ended 31 March 2012

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 those 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;
- 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.

In so far as the directors are aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Summit Finance (Wishaw) plc

Independent Auditors' Report to the Members of Summit Finance (Wishaw) plc

We have audited the financial statements of Summit Finance (Wishaw) plc for the year ended 31 March 2012 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective Responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's Members as a body in accordance with Chapter 3 of part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2012 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

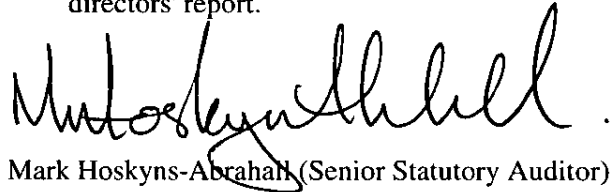
Summit Finance (Wishaw) plc

Independent Auditors' Report to the Members of Summit Finance (Wishaw) plc *(continued)*

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



Mark Hoskyns-Abraham (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

28 September 2012 .

Summit Finance (Wishaw) plc

Profit and Loss Account

Year ended 31 March 2012

	Note	2012 £000	2011 £000
Turnover		-	-
Operating Profit		-	-
Interest receivable	3	7,470	7,726
Interest payable and similar charges	4	(7,470)	(7,726)
Profit on Ordinary Activities Before Taxation		-	-
Tax on profit on ordinary activities		-	-
Profit for the Financial Year		-	-

All of the activities of the Company are classed as continuing.

The Company has no recognised gains and losses other than those included in the profit above, which all relate to continuing activities, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents.

The notes on pages 9 to 14 form part of these financial statements.

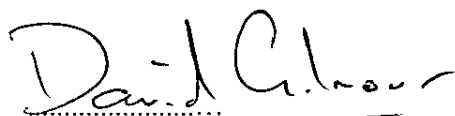
Summit Finance (Wishaw) plc

Balance Sheet

As at 31 March 2012

	Note	2012 £000	2011 £000
Current Assets			
Debtors due within one year	6	3,583	3,341
Debtors due after one year	6	97,818	101,351
		<u>101,401</u>	<u>104,692</u>
Creditors: Amounts falling due within one year	7	<u>(3,533)</u>	<u>(3,291)</u>
Net Current Assets		<u>97,868</u>	<u>101,401</u>
Total Assets Less Current Liabilities		<u>97,868</u>	<u>101,401</u>
Creditors: Amounts falling due after more than one year	8	(97,818)	(101,351)
Net assets		<u>50</u>	<u>50</u>
Capital and Reserves			
Share capital	11	50	50
Profit and loss account		—	—
Equity Shareholders' Funds	12	<u>50</u>	<u>50</u>

These financial statements on pages 7 to 14 were approved by the directors and authorised for issue on ~~28 September 2012~~ 28 September 2012, and are signed on their behalf by:


David F. Gilmour

Company Registration Number SC185067

The notes on pages 9 to 14 form part of these financial statements.

Summit Finance (Wishaw) plc

Notes to the Financial Statements

Year ended 31 March 2012

1. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable Accounting Standards in the United Kingdom. The financial statements have been prepared on a going concern basis as the Company's financial projections indicate that sufficient funds will be generated to allow on-going obligations to be met as they fall due.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the Company is wholly owned and its parent publishes a consolidated cash flow statement.

Issue costs

Issue costs associated with the bond have been capitalised in accordance with FRS 4 and will be amortised over the life of the bonds.

Guaranteed secured bonds

The bond creditor was initially recognised at the value of the net proceeds raised on issue. The finance cost is calculated as the difference between the net carrying amount and the total payments the company is required to make in respect of the bond. Finance costs are allocated to periods over the term of the bond at a constant rate on the carrying amount, and charged in the profit and loss account. Bond interest is recognised as accruing on a day to day basis.

2. Profit on ordinary activities before and after taxation

Auditors' remuneration is borne by Summit Healthcare (Wishaw) Limited, the parent company. There were no employees during the year other than the Directors (2011: nil). The Directors did not receive any remuneration from the Company during the year (2011: £nil).

3. Interest receivable

	2012	2011
	£000	£000
Interest from group undertakings	7,470	7,726

Summit Finance (Wishaw) plc

Notes to the Financial Statements

Year ended 31 March 2012

4. Interest payable and similar charges

	2012 £000	2011 £000
Bond interest payable	7,077	7,319
Amortisation of bond issue costs	393	407
	<u>7,470</u>	<u>7,726</u>

5. Taxation

No taxation was provided for in the year as the Company has no taxable profits/losses (2011:£nil).

6. Debtors

	2012 £000	2011 £000
Amounts owed by group undertakings	<u>101,401</u>	<u>104,692</u>

The debtors above include the following amounts falling due after more than one year:

	2012 £000	2011 £000
Amounts owed by group undertakings	<u>97,818</u>	<u>101,351</u>

Amounts owed by group undertakings consist of amounts due from parent.

The amounts owed by group undertakings are trading balances, are interest bearing 6.484% and are repayable in instalments every March and September. The final instalment is due on 31 March 2028.

7. Creditors: Amounts falling due within one year

	2012 £000	2011 £000
6.484% Guaranteed Secured Bonds	<u>3,533</u>	<u>3,291</u>

Summit Finance (Wishaw) plc

Notes to the Financial Statements

Year ended 31 March 2012

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

	2012	2011
	£000	£000
6.484% Guaranteed Secured Bonds 2028	<u>97,818</u>	<u>101,351</u>

On 25 June 1998 the company issued at par value £136,556,000 6.484% Guaranteed Secured Bonds which are repayable in instalments to 31 March 2028. From this value has been deducted the unamortised finance costs associated with the bond issue.

The bond has been secured by:-

(i) a first ranking floating charge over the whole property, assets and undertaking of the company; and

(ii) an assignation in security of all rights of the company under the intercompany loan agreement with its parent company, all bank accounts, if any, of the company and the proceeds thereof and all rights to which the company may be entitled from time to time in relation to the proceeds of any insurance policies.

9. Creditors - capital instruments

Creditors include loans which are due for repayment as follows:

	2012	2011
	£000	£000
Amounts repayable:		
In one year or less or on demand	3,533	3,292
In more than one year but not more than two years	3,792	3,533
In more than two years but not more than five years	13,130	12,233
In more than five years	80,896	85,584
	<u>101,351</u>	<u>104,642</u>

Summit Finance (Wishaw) plc

Notes to the Financial Statements

Year ended 31 March 2012

10. Financial risk management objectives and policies

The company's exposure to and management of interest rate risk, credit risk and liquidity risk is detailed below:

Interest rate risk

The company's policy is to manage its cost of borrowings using fixed rate debt. The return on the amounts due from subsidiary undertakings exactly matches the interest payable on the company's bond and accordingly is not exposed to cash flow interest rate risk.

The disclosure below sets out the carrying amount, by maturity, of the company's financial instruments that are not exposed to interest rate risk

	Within 1 year £000	1-2 years £000	2-3 years £000	3-4 years £000	4-5 years £000	Over 5 years £000	Total £000
Year ended 31 March 2012							
Fixed Rate Bond	(3,533)	(3,792)	(4,071)	(4,370)	(4,689)	(80,896)	(101,351)
Amounts owed by group undertakings	3,533	3,792	4,071	4,370	4,689	80,896	101,351
Year ended 31 March 2011							
Fixed Rate Bond	(3,292)	(3,533)	(3,792)	(4,071)	(4,370)	(85,584)	(104,642)
Amounts owed by group undertakings	3,292	3,533	3,792	4,071	4,370	85,584	104,642

The fixed rate liabilities comprise a 6.484% Guaranteed Secured Bonds. The interest on the financial instruments classified as fixed rate is fixed until the maturity of the instrument.

Credit risk

The company's principal financial assets are amounts owed by group undertaking creating a concentration of credit risk. The group company will service the loan with cash flows generated from availability fees charged to the NHS Trust for the provision of a hospital wing.

The maximum credit risk exposure relating to financial assets is represented by the carrying value at the balance sheet date.

This risk has been mitigated by a financial guarantee insurance policy for any obligations with a third party.

Summit Finance (Wishaw) plc

Notes to the Financial Statements

Year ended 31 March 2012

Liquidity risk

The principal financial risk to which the company is exposed is liquidity risk.

As with interest rate risk, the return on the amounts due from group undertaking exactly matches the capital payable on the company's bond and accordingly is not exposed to any level of net cash flow liquidity risk.

The table below summarises the maturity profile of the company's financial liabilities including interest payments at 31 March 2012 and 2011 based on contractual undiscounted payments.

	On less than 3 demand £000	months £000	3 to 12 months £000	1 to 5 years £000	Over 5 years £000	Total £000
Year ended 31 March 2012						
Bond	–	–	10,779	43,115	118,567	183,240
Year ended 31 March 2011						
Bond	–	–	10,779	43,115	129,346	183,240

Fair values of financial assets and liabilities

Set out below is a comparison by category of carrying amounts and fair values of all of the Company's financial instruments that are carried in the financial statements at other than fair values:

	Book value 2012 £000	Fair value 2012 £000	Book value 2011 £000	Fair value 2011 £000
Financial assets				
Amounts owed by group undertakings	101,401	110,162	104,692	105,069
Financial liabilities				
Bond	101,351	110,162	104,642	105,069

Market values have been used to determine the fair value of the listed bond loan. Due to the matching of the fixed rate liabilities through the loan agreement with its parent undertaking, the fair value of the debtor is equal to the fair value of the bond.

Summit Finance (Wishaw) plc

Notes to the Financial Statements

Year ended 31 March 2012

11. Share capital

Authorised share capital:

	2012	2011
	£000	£000
50,000 Ordinary shares of £1 each	<u>50</u>	<u>50</u>

Allotted, called up and fully paid:

	2012		2011	
	No	£000	No	£000
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50</u>	<u>50,000</u>	<u>50</u>

12. Reconciliation of movements in shareholders' funds

	2012	2011
	£000	£000
Opening shareholders' funds	<u>50</u>	<u>50</u>
Closing shareholders' funds	<u>50</u>	<u>50</u>

13. Related party disclosures

The company is a wholly owned subsidiary of the Summit Holdings (Wishaw) Limited group of companies and has taken advantage of the exemption which is conferred by Financial Reporting Standard number 8, Related Party Disclosures, that allows it not to disclose transactions with group undertakings.

14. Ultimate parent company

The immediate parent company is Summit Healthcare (Wishaw) Limited.

The Company has no ultimate controlling party. The directors consider the Company's ultimate joint controlling parties to be Uberior Infrastructure Investments Limited (who own 40% of the share capital of the Company) and Barclays Integrated Infrastructure Investors Fund LP (who own 60% of the share capital of the Company).

Copies of the consolidated accounts of Summit Holdings (Wishaw) Limited can be obtained from the Registrar of Companies, Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB.