

Glasgow Healthcare Facilities (Holdings) Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2012

Registered Number SC290718



Glasgow Healthcare Facilities (Holdings) Limited

Financial Statements

Year Ended 31 December 2012

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Glasgow Healthcare Facilities (Holdings) Limited

Company Information

The Board of Directors

A Andreou (Resigned 31 July 2012)
A J Gordon (Resigned 31 December 2012)
A C Gregson (Resigned 10 November 2011)
P Veerapen (Resigned 9 July 2012)
D F Gilmour
S A Brooks
S N Jones
BIIF Corporate Services Limited (Appointed 9 July 2012)
K A Miller (Appointed 29 November 2012)
P S Thompson (Appointed 16 August 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

Royal Bank of Scotland Plc
36 St Andrew's Square
Edinburgh
EH2 2YB

Solicitors

Maclay Murray & Spens LLP
151 St Vincent Street
Glasgow
G2 5NJ

Glasgow Healthcare Facilities (Holdings) Limited

The Directors' Report

Year Ended 31 December 2012

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

Principal activities and business review

The Company acts as a holding company to a single subsidiary, Glasgow Healthcare Facilities Limited, whose principal activity is the design, build, finance and operation of two hospitals for the Greater Glasgow and Clyde Health Board.

Results and dividends

The profit for the year amounted to £600,000 (2011: £nil). Particulars of dividends paid are detailed in note 7 to the financial statements.

The result for the year will be transferred to reserves.

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.

Financial instruments

The Company has no significant financial instruments.

Directors

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

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 13 May 2013

Glasgow Healthcare Facilities (Holdings) Limited

Statement of Directors' Responsibilities

Year Ended 31 December 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:

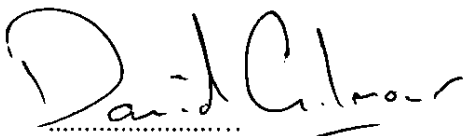
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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.

The Directors' Responsibilities were approved by the board on 13 May 2013 and signed on its behalf by:


D F Gilmour

Glasgow Healthcare Facilities (Holdings) Limited

Independent Auditors' Report to the Members of Glasgow Healthcare Facilities (Holdings) Limited

We have audited the financial statements of Glasgow Healthcare Facilities (Holdings) Limited for the year ended 31 December 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 3, 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 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 December 2012 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.

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.

Glasgow Healthcare Facilities (Holdings) Limited

Independent Auditors' Report to the Members of Glasgow Healthcare Facilities (Holdings) Limited *(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.



Martin Cowie (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

23 May 2013

Glasgow Healthcare Facilities (Holdings) Limited

Profit and Loss Account

Year Ended 31 December 2012

	Note	2012 £	2011 £
Turnover		—	—
Operating profit		—	—
Income from shares in group undertakings	3	600,000	—
Interest receivable	4	2,865,902	2,575,202
Interest payable and similar charges	5	(2,865,902)	(2,575,202)
Profit on ordinary activities before taxation		600,000	—
Tax on profit on ordinary activities	6	—	—
Profit for the financial year		600,000	—

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 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 8 to 12 form part of these financial statements.

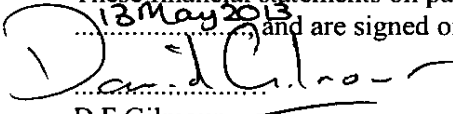
Glasgow Healthcare Facilities (Holdings) Limited

Balance Sheet

As at 31 December 2012

	Note	2012 £	2011 £
Fixed assets			
Investments	8	<u>19,815,417</u>	<u>19,815,417</u>
Current assets			
Debtors due within one year	9	<u>3,363,554</u>	<u>665,013</u>
Creditors: Amounts falling due within one year	10	<u>(3,363,554)</u>	<u>(665,013)</u>
Net current assets		<u>-</u>	<u>-</u>
Total assets less current liabilities		<u>19,815,417</u>	<u>19,815,417</u>
Creditors: Amounts falling due after more than one year	11	<u>(19,398,988)</u>	<u>(19,398,988)</u>
Net assets		<u>416,429</u>	<u>416,429</u>
Capital and reserves			
Share capital	12	<u>416,429</u>	<u>416,429</u>
Equity shareholders' funds	14	<u>416,429</u>	<u>416,429</u>

These financial statements on pages 6 to 12 were approved by the directors and authorised for issue on 13 May 2013 and are signed on their behalf by:


D F Gilmour

Company Registration Number: SC290718

The notes on pages 8 to 12 form part of these financial statements.

Glasgow Healthcare Facilities (Holdings) Limited

Notes to the Financial Statements

Year Ended 31 December 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 preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom.

Cash flow statement

The directors have taken advantage of exemption under sections 383 of the Companies Act 2006 from preparing consolidated financial statements on the grounds the Group, of which this Company is parent company, qualifies as small.

Group consolidated accounts

The company has taken the exemption under section 398 of the Companies Act 2006 and has not prepared group financial statements. The information in these financial statements therefore relates to the company as an individual undertaking and not its sub group.

Fixed asset investments

All unlisted investments are stated at cost less any provision for diminution in value.

2. Particulars of employees and directors

The directors did not receive any remuneration from the Company during the year (2011: £nil). There were no employees in the financial year other than the directors (2011: nil).

3. Income from shares in group undertakings

	2012 £	2011 £
Income from group undertakings	<u>600,000</u>	<u>—</u>

4. Interest receivable

	2012 £	2011 £
Interest from group undertakings	<u>2,865,902</u>	<u>2,575,202</u>

5. Interest payable and similar charges

	2012 £	2011 £
Interest on other loans	<u>2,865,902</u>	<u>2,575,202</u>

Glasgow Healthcare Facilities (Holdings) Limited

Notes to the Financial Statements

Year Ended 31 December 2012

6. Taxation on ordinary activities

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20.25% (2011 - 20.25%).

	2012 £	2011 £
Profit on ordinary activities before taxation	<u>600,000</u>	<u>-</u>
Profit on ordinary activities by rate of tax	121,500	-
Other tax exempt income	<u>(121,500)</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

7. Dividends

Equity dividends

	2012 £	2011 £
Paid during the year:		
Interim dividend of £1.44 (2011: £nil) per share	<u>600,000</u>	<u>-</u>

8. Investments

	Shares in subsidiary £	Loan stock £	Total £
Cost			
At 1 January 2012 and 31 December 2012	<u>416,429</u>	<u>-</u>	<u>416,429</u>
Loans			
At 1 January 2012 and 31 December 2012	<u>-</u>	<u>19,398,988</u>	<u>19,398,988</u>
Net book value			
At 31 December 2012 and 31 December 2011	<u>416,429</u>	<u>19,398,988</u>	<u>19,815,417</u>

The investment is in Glasgow Healthcare Facilities Limited, a company in which 100% of the ordinary share capital is held and the principal activity of which is to design, build, finance and operate two hospitals in Glasgow. Glasgow Healthcare Facilities Limited is incorporated in the United Kingdom and registered in Scotland. The results of the Company for the period ended 31 December 2012 were as follows: Profit/(loss) for the financial period £1,287,946 (2011: (£38,177)), Capital and Reserves £835,531 (2011: £147,585).

The Company holds 100% of the subordinated loan notes in Glasgow Healthcare Facilities Limited, repayable in full at 31 March 2039. Interest is charged on amounts drawn at a fixed rate of 13.75% per annum.

Glasgow Healthcare Facilities (Holdings) Limited

Notes to the Financial Statements

Year Ended 31 December 2012

9. Debtors

	2012 £	2011 £
Amounts owed by group undertakings	<u>3,363,554</u>	<u>665,013</u>

The amounts owed by group undertakings includes three intercompany loans advanced within the year totalling £2,500,000, which are repayable upon demand. Interest is payable on the loans at 8% per annum. A loan of £1,250,000 was advanced to NVSH Holdco Limited and accrued interest due from NVSH Holdco Limited as at 31 December 2012 totalled £95,616 (2011: £nil). A loan of £625,000 was advanced to UME PFI Investments Limited and accrued interest due from UME PFI Investments Limited as at 31 December 2012 totalled £47,808 (2011: £nil). A loan of £625,000 was advanced to Infrastructure Investment Holdings Limited and accrued interest due from Infrastructure Investment Holdings Limited as at 31 December 2012 totalled £47,808 (2011: £nil). The remaining balance relates to interest due on subordinated loan notes issued by Glasgow Healthcare Facilities Limited and amount to £672,322 (2011: £665,013).

10. Creditors: Amounts falling due within one year

	2012 £	2011 £
Amounts owed to group undertakings	<u>3,363,554</u>	<u>665,013</u>

The amounts owed by group undertakings includes an intercompany loan advanced by Glasgow Healthcare Facilities Limited within the year of £2,500,000. This loan is repayable upon demand. Interest is payable on this loan at 8% per annum and accrued interest due as at 31 December 2012 totalled £191,233 (2011: £nil). The remaining balance relates to interest due on subordinated loan notes issued by the Company and amounts to £672,321 (2011: £665,013).

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

	2012 £	2011 £
Amounts owed to undertakings in which the Company has a participating interest	<u>19,398,988</u>	<u>19,398,988</u>

Amounts owed to group undertakings relates to subordinated loan stock issued, which carries interest at 13.75% per annum. The principal is repayable in full by 31 December 2039 and interest is payable semi annually in March and September.

12. Share capital

Authorised share capital:

	2012 £	2011 £
416,429 Ordinary shares of £1 each	<u>416,429</u>	<u>416,429</u>

Glasgow Healthcare Facilities (Holdings) Limited

Notes to the Financial Statements

Year Ended 31 December 2012

12. Share capital (*continued*)

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
416,429 Ordinary shares of £1 each	<u>416,429</u>	<u>416,429</u>	<u>416,429</u>	<u>416,429</u>

13. Profit and loss account

	2012	2011
	£	£
Profit for the financial year	600,000	—
Equity dividends	<u>(600,000)</u>	<u>—</u>
Balance carried forward	<u>—</u>	<u>—</u>

14. Reconciliation of movements in shareholders' funds

	2012	2011
	£	£
Profit for the financial year	600,000	—
Equity dividends	<u>(600,000)</u>	<u>—</u>
Net addition to shareholders' funds	<u>—</u>	<u>—</u>
Opening shareholders' funds	<u>416,429</u>	<u>416,429</u>
Closing shareholders' funds	<u>416,429</u>	<u>416,429</u>

Glasgow Healthcare Facilities (Holdings) Limited

Notes to the Financial Statements

Year Ended 31 December 2012

15. Related party disclosures

The directors have considered the provisions contained within FRS 8 and are satisfied that there are no further disclosures required.

UME PFI Investments Limited, a company of which P Thompson is a director, holds 25% of the share capital and 25% of the loan stock in Glasgow Healthcare Facilities (Holdings) Limited. During the year £7,430 (2011: £6,979) was paid to UME PFI Investments in relation to directors fees.

NVSH Holdco Limited holds 50% of the share capital and loan stock in Glasgow Healthcare Facilities (Holdings) Limited and within the year received loan stock interest of £1,333,680 (2011: £1,333,680) and a dividend of £300,000 (2011: £nil). Accrued interest due in respect of the loan notes, as at 31 December 2012 amounted to £336,160 (2011: £332,506). As at 31 December 2012 NVSH Holdco Limited owed loan interest of £95,616 (2011: £nil) to Glasgow Healthcare Facilities (Holdings) Limited in respect of an intercompany loan. UME PFI Investments Limited holds 25% of the share capital and loan stock in Glasgow Healthcare Facilities (Holdings) Limited and within the year received loan stock interest of £666,840 (2011: £666,840) and a dividend of £150,000 (2011: £nil). Accrued interest due in respect of the loan notes, as at 31 December 2012 amounted to £168,080 (2011: £166,253). As at 31 December 2012 UME PFI Investments Limited owed loan interest of £47,808 (2011: £nil) to Glasgow Healthcare Facilities (Holdings) Limited in respect of an intercompany loan. Infrastructure Investment Holdings Limited holds 25% of the share capital and loan stock in Glasgow Healthcare Facilities (Holdings) Limited and within the year received loan stock interest of £666,840 (2011: £666,840) and a dividend of £150,000 (2011: £nil). Accrued interest due in respect of the loan notes, as at 31 December 2012 amounted to £168,080 (2011: £166,253). As at 31 December 2012 Infrastructure Investment Holdings Limited owed loan interest of £47,808 (2011: £nil) to Glasgow Healthcare Facilities (Holdings) Limited in respect of an intercompany loan.

16. Ultimate parent company

In the opinion of the directors, there is no ultimate controlling party of Glasgow Healthcare Facilities (Holdings) Limited.