

Topco (St Andrews Hospital) Holdings Limited

Annual report and financial statements
For the year ended 31 March 2011

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COMPANIES HOUSE

Company No. SC324990

Officers and professional advisers

Company registration number	SC324990
Registered office	51 Melville Street Edinburgh EH3 7HL
Directors	E Koolhaas P Nash
Secretary	A White
Bankers	Royal Bank of Scotland Plc 142-144 Princes Street Edinburgh EH2 4EQ
Auditors	PricewaterhouseCoopers LLP Erskine House 68-73 Queen Street Edinburgh EH2 4NH

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Report of the directors

The directors submit their report and the audited financial statements for the year ended 31 March 2011.

Business review and principal activities

The Company has been established as a non-trading holding company for the investment in Projco (St Andrews Hospital) Limited. Projco (St Andrews Hospital) Limited has entered into a Private Finance Initiative ("PFI") concession contract with Fife Health Board. The PFI contract involves the design, build and financing of a community hospital and health centre in St Andrews, Fife, together with the provision of certain facilities management services within the hospital. The Project Agreement between Projco (St Andrews Hospital) Limited and Fife Health Board was signed on 21 November 2007.

As part of this contract, Projco (St Andrews Hospital) Limited has entered into a fixed-price sub-contract with Galliford Try Construction Limited to design and build the facility. Construction was completed on 31 July 2009.

Projco (St Andrews Hospital) Limited has also entered into a sub-contract with Morrison Facilities Services Limited for the provision of facilities management services within the hospital. The services to be provided include security and routine and emergency maintenance.

The PFI project is being financed by a combination of equity share capital, senior and subordinated debt. A senior debt facility of approximately £32m, provided to Projco (St Andrews Hospital) Limited by Dexia Public Finance Bank, has funded construction of the hospital. On 3 July 2009, in anticipation of construction completion, the Company injected subordinated debt of £2,277,000 into Projco (St Andrews Hospital) Limited. Further amounts of £110,000 and £100,000 were injected on 31 March 2010 and 30 September 2010 respectively in accordance with the Subscription agreement. The Company received matching financing from its immediate parent undertaking.

The hospital was handed over to Fife Health Board on 31 July 2009 and the term of the PFI contract is 30 years from the date of handover. Projco (St Andrews Hospital) Limited has been receiving service payments from Fife Health Board since the date the hospital became available.

Future developments

The directors do not anticipate any changes in the Company's activities.

Key performance indicators "KPIs"

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Business review

The profit and loss account for the year is set out on page 8. During the year the company performed in line with expectation and reported a profit of £nil (2010: £nil).

Report of the directors (continued)

Directors and their interests

The directors of the Company who held office during the year and to date are as follows:

R S Fullerton (resigned 1 July 2011)
E Koolhaas
E Naafs (resigned 1 October 2010)
P Nash
L R Simmons (resigned 1 July 2011)
A J Tait (resigned 1 July 2011)

In accordance with the Company's Articles of Association, none of its directors are required to retire.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 judgments 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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.

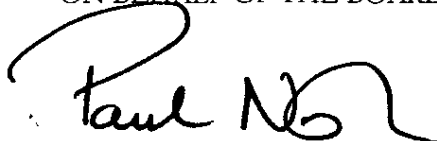
Report of the directors (continued)

Statement of disclosure of information to auditors

Each director, as at the date of this report, has confirmed that insofar as he is aware, there is no relevant audit information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware, and he 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 auditors are aware of that information.

A resolution to re-appoint PricewaterhouseCoopers LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD



P Nash
Director

31 August 2011

Registered in Scotland - No. 324990

Registered Office
51 Melville Street
Edinburgh
EH3 7HL

Report of the independent auditor to the members of Topco (St Andrews Hospital) Holdings Limited

We have audited the financial statements of Topco (St Andrews Hospital) Holdings Limited for the year ended 31 March 2011 which comprises the Profit and Loss Account, the 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 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 2011 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.

Report of the independent auditor to the members of Topco (St Andrews Hospital) 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

Martin Cowie (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
1 September 2011

Profit and loss account for the year ended 31 March 2011

	Notes	2011 £	2010 £
Turnover		-	-
Operating profit		-	-
Interest payable and similar charges	3	(292,424)	(203,620)
Interest receivable	3	292,424	203,620
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
Retained profit for the financial year		-	-

The Company has no other gains and losses and therefore a statement of total recognised gains and losses has not been prepared.

The accompanying notes are an integral part of this profit and loss account.

Balance sheet as at 31 March 2011

	Notes	2011 £	2010 £
Non current assets			
Investments	4	10,000	10,000
Debtors: amounts falling due after more than one year	5	2,487,000	2,387,000
		<u>2,497,000</u>	<u>2,397,000</u>
Current assets	6	148,811	203,620
		<u>148,811</u>	<u>203,620</u>
Creditors : amounts falling due within one year	7	(148,811)	(203,620)
Creditors: amounts falling due after more than one year	8	(2,487,000)	(2,387,000)
Net assets		<u>10,000</u>	<u>10,000</u>
Capital and reserves			
Called up share capital	9	10,000	10,000
Profit and loss account		-	-
Shareholders' funds	10	<u>10,000</u>	<u>10,000</u>



P Nash
Director

The directors approved the financial statements on 31 August 2011.
The notes on pages 10 to 13 form part of these financial statements.

The accompanying accounting policies and notes form part of these Annual report and financial statements.

Notes to the financial statements (continued)

1 Principal accounting policies

(a) Basis of preparation

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies is set out below.

(b) Cash flow statement

The Company is exempt from the requirement of FRS 1 (Revised) to prepare a cash flow statement as it is a small company by definition.

(c) Investments

The investment in the subsidiary undertaking is stated at cost. The carrying value of the investment is reviewed annually by the directors to determine whether there has been any impairment.

(d) Financial liabilities

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability.

(e) Group financial statements

Consolidated financial statements have not been prepared since the Group is a small group by definition.

2 Operating result

None of the directors received any remuneration as directors from the Company during the year (2010: £nil). The Company has no directly employed personnel (2010: nil). Auditors' remuneration and all administrative expenses are paid by the Company's subsidiary, Projco (St Andrews Hospital) Limited.

3 Net interest payable and similar charges

	2011 £	2010 £
Interest receivable		
Interest receivable from subsidiary undertaking	292,424	203,620
Interest payable		
Interest payable to parent company	(292,424)	(203,620)
	-	-

Notes to the financial statements (continued)

4 Investments

2011
£

Shares held at cost

At 31 March 2010 and 31 March 2011

10,000

The Company has invested £10,000 in the share capital of Projco (St Andrews Hospital) Limited, a company which has entered into a PFI contract with Fife Health Board to provide a community hospital and health centre in St Andrews, Fife. The investment comprises 10,000 ordinary shares of £1 each. The shares held in Projco (St Andrews Hospital) Limited have been pledged to Dexia Management Services Limited, as security trustee under the senior financing documents of the PFI contract.

Details of this investment are in the table below. The Company holds no other investments.

Name	Shareholding	Year end	Equity shareholders deficit	Loss for the year to 31 March 2011
Projco (St Andrews Hospital) Limited	100%	31 March	£23,472	£44,681

5 Debtors: amounts falling due in greater than 1 year

	2011 £	2010 £
Subordinated loan notes to subsidiary undertaking	2,487,000	2,387,000
	<u>2,487,000</u>	<u>2,387,000</u>

During the year the Company invested £100,000 in the form of fixed rate subordinated loan notes from its wholly owned subsidiary Projco (St Andrews Hospital) Limited. Interest is receivable on the loan notes at a rate of 12% for the period from April 2009 to March 2013 and 12.5% from April 2013 until the final redemption date of 30 September 2039 (being the date on which all loan notes are repaid). The loan notes are unsecured.

6 Debtors: amounts falling due within 1 year

	2011 £	2010 £
Interest due from subsidiary undertaking	148,811	203,620
	<u>148,811</u>	<u>203,620</u>

The interest due from subsidiary undertaking is due within 30 days.

Notes to the financial statements (continued)

7 Creditors: amounts falling due within 1 year

	2011 £	2010 £
Interest due to parent company	148,811	203,620
	<u>148,811</u>	<u>203,620</u>

The interest due to immediate parent company is due within 30 days.

8 Creditors: amounts falling greater than 1 year

	2011 £	2010 £
Subordinated loan notes from parent company	2,487,000	2,387,000
	<u>2,487,000</u>	<u>2,387,000</u>

During the year the Company has received £100,000 in the form of fixed rate subordinated loan notes from Galliford Try Healthcare (St Andrews) Limited. Interest is payable on the loan notes at a rate of 12% for the period from April 2009 to March 2013 and 12.5% from April 2013 until the final redemption date of 30 September 2039 (being the date on which all loan notes are repaid). The loan notes are unsecured.

9 Called up share capital

	2011 £	2010 £
Allotted, issued and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

10 Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Opening shareholders' funds	10,000	10,000
Result for the financial year	-	-
	<u>10,000</u>	<u>10,000</u>
Closing shareholders' funds	10,000	10,000

Notes to the financial statements (continued)

11 Related party transactions

During the year ended 31 March 2011 the Company incurred an interest charge of £292,424 (2010: £203,620) on subordinated loan notes held by its parent undertaking Galliford Try Healthcare (St Andrews) Limited. In the same period the Company charged interest of £294,424 (2010: £203,620) to its subsidiary undertaking Projco (St Andrews Hospital) Limited. Both of these amounts remained unpaid as at 31 March 2011.

12 Commitments

Under the terms of a Subscription Agreement dated 21 November 2007, the Company will receive from Galliford Try Healthcare (St Andrews) Limited £2,574,000 in the form of subordinated loan notes by 30 September 2012. Using these funds, the Company will subscribe for £2,574,000 of subordinated loan notes in Projco (St Andrews) Hospital Limited by 30 September 2012.

During the year ended 31 March 2011 the Company received £100,000 from Galliford Try Healthcare (St Andrews) Limited in the form of subordinated loan notes and subscribed for £100,000 of subordinated loan notes in Projco (St Andrews) Hospital Limited.

Interest will be payable on the loan notes at a rate of 12% for the period from July 2009 to March 2013 and 12.5% from April 2013 until the final redemption date (being the date on which all loan notes are repaid). The loan notes are repayable in instalments commencing on 31 March 2013 and will be repaid in full by 22 June 2039.

13 Immediate and ultimate parent undertaking

The Company is a wholly owned subsidiary of Galliford Try Healthcare (St Andrews) Limited which is incorporated in Great Britain and registered in Scotland. Galliford Try Healthcare (St Andrews) Limited has a year end of 30 June. Its financial statements are available from the Company Secretary at 51 Melville Street, Edinburgh, EH3 7HL.

The Directors consider the ultimate controlling parties to be Galliford Try Plc and Dutch Infrastructure Fund BV.