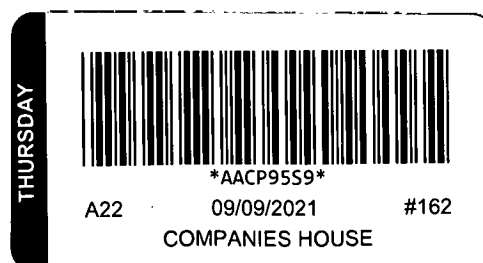


Registered number: 04892439

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020



ROEHAMPTON HOSPITAL HOLDINGS LIMITED

COMPANY INFORMATION

Directors	SA Carter JNE Cowdell AL Tennant PA Would (resigned 14 April 2021) RAM Gillespie (resigned 1 April 2021) CT Solley H Holman (appointed 1 April 2021) G S Pearce (appointed 14 April 2021)
Company secretary	G B Bucur
Registered number	04892439
Registered office	3rd Floor (South Building) 200 Aldersgate Street London EC1A 4HD
Independent auditor	BDO LLP 3 Hardman Street Manchester M3 3AT

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

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ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The directors present their annual group strategic report and the audited financial statements for the year ended 30 September 2020.

Business review

The results of the group for the year are set out in the consolidated profit and loss account on page 10. Turnover for the year was £11,128,000 (2019: £11,660,000) with profit before taxation of £2,081,000 (2019: £2,095,000). During the year the company paid out dividends amounting to £1,333,000 (2019: £717,000).

At the year end the company has total outstanding debt of £59,481,000 (2019: £61,579,000) and holds cash reserves totaling £12,165,000 (2019: £16,658,000).

The business has remained compliant with debt service and cover ratios during the year and scheduled debt interest and capital payments were made as planned.

Development and performance of the business

Full operational services are being provided and these are generally progressing well, with minimal performance deductions. The project continues to operate smoothly following the transfer of the original 30 year concession agreement to NHS Property Services Limited during 2013.

The Group continues to provide full operational services at Queen Mary's Hospital, Roehampton. The project is operating smoothly with minimal performance inductions incurred. There were no significant developments outside the project agreement during the year.

Principal risks and uncertainties

Exposure to movements in interest rates and the retail prices index was hedged at financial close via a fixed interest rate swap and an RPI swap respectively. The senior debt facility was increased in 2008 to fund a variation in part of the hospital. This interest on additional borrowing, which represents approximately 2% of total senior debt, is not hedged. The directors do not consider the additional exposure to be material.

There is a risk of financial loss through unavailability and performance deductions. This is mitigated as deductions are fully passed down to the sub contractors. Contractual compliance and reporting requirements are regularly monitored to ensure all undertakings are met on a timely basis.

Insurance cover for the year has been purchased within budgeted costs.

In light of the global Covid-19 pandemic the Directors have considered the stability of financial counterparties and have concluded that all financial counterparties have the ability to meet all contractual obligations.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

Financial key performance indicators

The key indicators of performance is the level of penalties which can be imposed for unavailability of hospital areas or for sub-standard delivery of operational services and debt service cover ratios. The deductions for the year came to £1,285 (2019 - £2,045) which represent less than 1% of the total fees charged by the service providers. These are therefore deemed to be inconsequential and do not pose a significant risk to the Group.

The Group's management produces comparisons of actual cash flows against forecast cash flows from the finance model and analyse any fluctuations. On both these measures, the directors are satisfied that budget assumptions are being met.

This report was approved by the board on 25 August 2021 and signed on its behalf.



H Holman
Director

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The directors present their report and the financial statements for the year ended 30 September 2020.

Principal activities

The principal activities of the Group are to design, construct and operate certain facilities and provide nonclinical services at Queen Mary's Hospital, Roehampton for a period of 30 years under a concession agreement with NHS Property Services Limited (previously Wandsworth PCT). The agreement to provide a new hospital, associated facilities management and hotel services and equipment services was signed on 6 May 2004.

Construction of the hospital commenced on 22 September 2003 and was completed in February 2006. The concession agreement was transferred from Wandsworth PCT to NHS Property Services Limited and a Deed of Safeguard was signed on 21 March 2013 to ensure that the terms of the agreement remain the same.

Results and dividends

The profit for the year, after taxation, amounted to £1,614,000 (2019 - £1,677,000)).

The group made a dividend payment in the year of £1,333,000 (2019: £717,000).

Directors

The directors who served during the year were:

SA Carter
JNE Cowdell
PA Would (resigned 14 April 2021)
RAM Gillespie (resigned 1 April 2021)
AL Tennant
CT Solley
H Holman (appointed 1 April 2021)
GS Pearce (appointed 14 April 2021)

The directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Corporate Governance

The Group is committed to high standards of corporate governance, as are appropriate for the longer term obligations to finance, construct and operate non-clinical services for the new Queen Mary's Hospital, Roehampton under the Private Finance Initiative programme.

Corporate governance principles have been implemented within the framework established by agreement between the shareholding parties who have launched the Group under a concession agreement with NHS Property Services Limited. The Board has taken note of the UK Corporate Governance Code which applies to equity quoted plc's with certain reporting requirements; this Group, not being an equity quoted plc, is not bound by the code's requirements but has voluntarily adopted certain of those principles as noted below.

This report is a narrative on the principles of corporate governance, as applied in this group. It does not provide a detailed statement to identify those provisions of the Code from which the Group's governance differs.

A The Board

1. The Board meets quarterly and reviews operating performance against the financial model and detailed management budgets. This model incorporates all aspects of the strategic business plan and associated risks; all proposals for contract variations are vetted before approval against the model. The Board reserves its own decision on all contractual expenditure and associated funding, and has established the provision of management, company secretary and accountancy services for the implementation of the project.

2. The Board comprises 6 non-executive directors nominated by each participating shareholder.

3. The Board receives quarterly information which encompasses all corporate, business, financial and relationship matters which are necessary and appropriate for the purposes of monitoring and progressing the complex contractual obligations for the hospital project.

4. Nominations for any changes to Board membership are subject to the shareholders' separate or collective decision.

5. For the particular interests of the shareholders in the continuity of the project, no directors retire by rotation.

B Remuneration

No directors received remuneration directly from the subsidiary company. The remuneration for the services of the Non-Executive Directors is set out in Note 4.

C Dialogue with Institutions

The Board maintains regular liaison with Bank of Scotland as senior lender to the group.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

D Financial Reporting

1. The Board, after seeking appropriate external advice, decides upon accounting policies which are appropriate for the group and ensures that they are consistently applied.
2. The Board has instigated a rigorous process of internal control, under the discipline of contractual agreements, in order to safeguard the outcomes for the group in terms of operational performance, financial control, legal and regulatory compliance, provision for risk factors and longer-term relationships.
3. The Board has decided to undertake the role of an Audit Committee with all directors. The Audit Committee meets annually to review the Management Letter tabled by the Auditor.
4. The Board continues to satisfy itself that, given the contractual and long-term funding provisions, the group will continue to trade as a going concern.

E Internal Controls

The Board maintains a sound system of internal controls to safeguard shareholders' investments and the group's assets.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Post balance sheet events

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

Auditor

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

This report was approved by the board on 25 August 2021 and signed on its behalf.



**H Holman
Director**

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The directors are responsible for preparing the Annual Report, Strategic Report, the Directors' Report and the consolidated 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 Group and Company 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 Group and Company and of the profit or loss of the Group 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 accounting 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 Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROEHAMPTON HOSPITAL HOLDINGS LIMITED

Opinion

We have audited the financial statements of Roehampton Hospital Holdings Limited ("the Parent Company") and its subsidiary ("the Group") for the year ended 30 September 2020 which comprise the Consolidated Profit and Loss and Other Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice)

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 September 2020 and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROEHAMPTON HOSPITAL HOLDINGS
LIMITED (CONTINUED)**

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Strategic report and Directors report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company's 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.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROEHAMPTON HOSPITAL HOLDINGS
LIMITED (CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

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

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

D8CD362D513C4D9...
Stuart Wood (Senior Statutory Auditor)

For and on behalf of
BDO LLP, statutory auditor

3 Hardman Street
Manchester
M3 3AT

25 August 2021

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**CONSOLIDATED PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Note	2020 £000	2019 £000
Turnover		11,128	11,660
Cost of sales		(7,446)	(8,037)
Gross profit		3,682	3,623
Administrative expenses		(602)	(633)
Operating profit		3,080	2,990
Interest receivable and similar income	5	3,241	3,409
Interest payable and expenses	6	(4,240)	(4,304)
Profit before taxation		2,081	2,095
Tax on profit	7	(467)	(418)
Profit for the financial year		1,614	1,677
Effective portion of changes in fair value of cash flow hedge		1,538	(7,570)
Net change in fair value of cash flow hedge recycled to profit and loss		2,814	2,797
Taxation in respect of items of other comprehensive income	14	(145)	718
Other comprehensive income/(loss) for the year		4,207	(4,055)
Total comprehensive income/(loss) for the year		5,821	(2,378)

The notes on pages 17 to 34 form part of these financial statements.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED
REGISTERED NUMBER: 04892439

CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2020

	Note	2020 £000	2019 £000
Fixed assets			
Current assets			
Debtors: amounts falling due after more than one year	9	69,590	72,271
Debtors: amounts falling due within one year	9	7,664	2,497
Cash at bank and in hand		12,165	16,685
		<u>89,419</u>	<u>91,453</u>
Creditors: amounts falling due within one year	10	(13,843)	(12,643)
Net current assets		<u>75,576</u>	<u>78,810</u>
Total assets less current liabilities		<u>75,576</u>	<u>78,810</u>
Creditors: amounts falling due after more than one year	11	(83,224)	(90,398)
		<u>(7,648)</u>	<u>(11,588)</u>
Provisions for liabilities			
Other provisions	15	(5,470)	(6,018)
		<u>(5,470)</u>	<u>(6,018)</u>
Net liabilities		<u>(13,118)</u>	<u>(17,606)</u>
Capital and reserves			
Called up share capital	16	50	50
Other reserves	18	(23,830)	(28,037)
Profit and loss account	18	10,662	10,381
		<u>(13,118)</u>	<u>(17,606)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 August 2021.


H Holman
 Director

The notes on pages 17 to 34 form part of these financial statements.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED
REGISTERED NUMBER: 04892439

COMPANY BALANCE SHEET
AS AT 30 SEPTEMBER 2020

	Note	2020. £000	2019 £000
Fixed assets			
Investments	8	50	50
		<u>50</u>	<u>50</u>
Current assets			
Debtors: amounts falling due after more than one year	9	3,275	3,275
		<u>3,275</u>	<u>3,275</u>
Total assets less current liabilities		3,325	3,325
Creditors: amounts falling due after more than one year	11	(3,275)	(3,275)
Net assets		<u>50</u>	<u>50</u>
Capital and reserves			
Called up share capital	16	50	50
		<u>50</u>	<u>50</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 August 2021.



H Holman
Director

The notes on pages 17 to 34 form part of these financial statements.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Called up share capital	Cash flow hedge reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 October 2019	50	(28,037)	10,381	(17,606)
Comprehensive income for the year				
Profit for the year	-	-	1,614	1,614
Taxation in respect of items of other comprehensive income	-	(145)	-	(145)
Hedge effective portion of change in fair value of designated hedging	-	1,538	-	1,538
Net change in fair value of cashflow hedge recycled to profit and loss	-	2,814	-	2,814
Total comprehensive income for the year	-	4,207	1,614	5,821
Dividends: Equity capital	-	-	(1,333)	(1,333)
At 30 September 2020	50	(23,830)	10,662	(13,118)

The notes on pages 17 to 34 form part of these financial statements.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	Called up share capital	Cash flow hedge reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 October 2018	50	(23,982)	9,421	(14,511)
Comprehensive income for the year				
Profit for the year	-	-	1,677	1,677
Taxation in respect of items of other comprehensive income	-	718	-	718
Hedge effective portion of change in fair value of designated hedging	-	(7,570)	-	(7,570)
Net change in fair value of cashflow hedge recycled to profit and loss	-	2,797	-	2,797
Total comprehensive income for the year	-	(4,055)	1,677	(2,378)
Dividends: Equity capital	-	-	(717)	(717)
At 30 September 2019	50	(28,037)	10,381	(17,606)

The notes on pages 17 to 34 form part of these financial statements.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Called up share capital	Total equity
	£000	£000
At 1 October 2019	50	50
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
At 30 September 2020	50	50

The notes on pages 17 to 34 form part of these financial statements.

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	Called up share capital	Total equity
	£000	£000
At 1 October 2018	50	50
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
At 30 September 2019	50	50

The notes on pages 17 to 34 form part of these financial statements.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	2020 £000	2019 £000
Cash flows from operating activities		
Profit for the financial year	1,614	1,677
Adjustments for:		
Amortisation of issue costs	(62)	(64)
Interest paid	4,307	4,304
Interest received	(3,179)	(3,345)
Taxation charge	467	418
(Increase)/decrease in debtors	(2,631)	6,402
Increase in creditors	327	118
(Decrease)/increase in provisions	(548)	297
Corporation tax (paid)/received	(1,117)	-
Net cash (used)/generated from operating activities	(822)	9,807
Cash flows from investing activities		
Interest received	3,179	3,409
Interest paid	(4,307)	(4,281)
Net cash from investing activities	(1,128)	(872)
Cash flows from financing activities		
Repayment of loans	(2,036)	(1,565)
Dividends paid	(1,333)	(717)
Net cash used in financing activities	(3,369)	(2,282)
Net (decrease)/increase in cash and cash equivalents	(5,319)	6,653
Cash and cash equivalents at beginning of year	16,685	10,032
Cash and cash equivalents at the end of year	11,366	16,685
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	12,165	16,685
Bank overdrafts	(799)	-
	11,366	16,685

The notes on pages 17 to 34 form part of these financial statements.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies

1.1 Basis of preparation of financial statements

Roehampton Hospital Holdings Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK. The Company was incorporated on 9th September 2003.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The Parent Company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- o The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included a second time;
- o No separate parent company Cash Flow Statement with related notes is included; and
- o Key Management Personnel compensation has not been included a second time; and
- o The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption of FRS 102, the Group and Company has not retrospectively changed its accounting under old UK GAAP for accounting estimates.

The financial statements are presented in Sterling (£) and to the nearest £'000.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies (continued)

1.2 Going concern

The financial statements are prepared on the going concern basis for reasons stated in the Directors' Report.

The Group currently has net liabilities of £13,118,000 (2019: £17,606,000) as a result of accounting for the fair value of interest rate and RPI swap agreements, the majority of which do not crystallise as liabilities for a number of years. As such, the group's forecasts and projections, taking account of the impact of swaps and reasonably possible changes in trading performance, show that it should be able to operate within the level of its current facilities and continue to meet forecast loan covenants.

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

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

1.3 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertaking made up to the year end. The acquisition method of accounting has been adopted.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies (continued)

1.4 Finance debtor and service fee income

The Group is an operator of a Private Finance Initiative (PFI) contract, which was entered into prior to the transition to FRS102. Therefore the accounting has been continued using the accounting policies applied prior to the date of transition to FRS102 as follows. The underlying asset was not deemed to be an asset of the Group under FRS5, Application Note G, because the risks and rewards of ownership as set out in that Standard are deemed to lie principally with the Trust.

During the construction phase of the project, all attributable expenditure was included in amounts recoverable on contracts and turnover. Upon becoming operational, the costs were transferred to the finance debtor. Amounts receivable under the agreement relating to the hospital facilities transferred are included under debtors and represent the total amount outstanding under the agreement less unearned interest. Finance lease income is allocated to accounting periods so as to give a constant rate of return on the net cash investment in the lease.

In the operational phase, the balance of unitary payments received, after accounting for the finance debtor interest and amortisation components (which together sum to a constant figure in each period, as in a lease) is accounted for as turnover. This figure is adjusted in each period to ensure that income recognised more accurately reflects the value of economic benefits provided to the public sector client in each period, and is necessary due to the inflationary nature of the unitary payments. As a consequence of this adjustment to turnover, which is generally positive in the first half of the concession and negative in the second half (and must net out over the whole concession), a unitary payment control account debtor is recorded on the balance sheet.

1.5 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. Accounting policies (continued)

1.6 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Group operates and generates income.

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

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

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

1.7 Amortisation of issue costs

Issue costs are deducted against debt and amortised over the life of the instrument. This amortisation is charged to the profit and loss account when incurred.

1.8 Lifecycle costs

Provisions are made in respect of life cycle maintenance to the extent that the group is obliged to undertake maintenance in future periods. The result is to spread the total anticipated contractual cost over the course of the concession; this accounting policy, applied prior to the date of FRS102 transition has been continued in accordance with the grandfathering of the wider service concession accounting as noted in section 1.4.

1.9 Interest receivable and interest payable

Interest payable and similar charges include interest payable on borrowings and associated ongoing financing fees.

Other interest receivable and similar income include interest receivable on funds invested and interest recognised on the finance debtor based upon the finance debtor accounting policy above.

Interest payable is recognised in profit or loss as it accrues, using the effective interest method. Other interest receivable and similar income is recognised in profit or loss as it accrues.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies (continued)

1.10 Impairment excluding deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.11 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in in more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised then paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies (continued)

1.12 Financial instruments

In accordance with the requirements of FRS 102.22, financial instruments issued by the group are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and

(b) where the instrument will or may be settled in the group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the group's own equity instruments or is a derivative that will be settled by the group exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the group's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

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

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies (continued)

1.12 Financial instruments (continued)

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate, except for hedging instruments in a designated hedging relationship that qualify for hedge accounting, where the resulting gain or loss is recognised as described in section 1.13 below.

1.13 Hedge accounting

The Group uses variable to fixed interest rate swaps to manage its exposure to interest rate cash flow risk on its variable rate debt. These derivatives are measured at fair value at each balance sheet date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the year.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial period are as follows:

Key sources of estimation uncertainty

Financial Asset Interest Rate - Accounting for the service concession contract and finance debtor requires estimation of an appropriate finance debtor interest rate.

Fair value of interest rate swaps - The fair value of interest rate swaps is determined by reference to mark-to-market valuations.

Fair value of RPI swap - The fair value of the RPI swap is determined by reference to mark-to-market valuations.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

3. Turnover

All turnover is attributable to the principal activity of the Group

4. Directors' remuneration

None of the Directors received emoluments directly from the group (2019: £nil).

A payment is made for the services of the non-executive directors to their employer as a recharge, which totalled to £138,000 (2019: £176,000) in the year.

No staff are directly employed by the Group (2019: none).

5. Interest receivable

	2020 £000	2019 £000
Finance debtor interest receivable	3,122	3,251
Amortisation of issue costs	62	64
Bank interest receivable	57	94
	3,241	3,409
	3,241	3,409

6. Interest payable and similar expenses

	2020 £000	2019 £000
Bank interest payable	3,731	3,787
On mezzanine bank loan	131	140
On loans from group undertakings	378	377
	4,240	4,304
	4,240	4,304

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

7. Taxation

	2020 £000	2019 £000
Corporation tax		
Current tax on profits for the year	467	418
Total current tax	<u>467</u>	<u>418</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - *higher than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £000	2019 £000
Profit on ordinary activities before tax	<u>2,081</u>	<u>2,095</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	422	398
Effects of:		
Adjustments to tax charge in respect of prior periods	19	20
Deferred tax	26	-
Total tax charge for the year	<u>467</u>	<u>418</u>

Factors that may affect future tax charges

For the year ended 30 September 2020, the UK corporation tax rate of 19% is applied.

The March 2020 Budget announced that a rate of 19% would continue to apply from 1 April 2020, and this change was substantively enacted on 17 March 2020. The deferred tax asset as at 30 September 2020 has been calculated based on a rate of 19%.

An increase in the UK corporation tax rate to 25% (effective from April 2023) was substantively enacted in May 2021. This will potentially increase the Group's deferred tax asset and reduce its reported tax charge in the financial statements for the year ended 31 September 2021 accordingly.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

8. Fixed asset investments**Company**

	Investments in subsidiary companies £000
Cost or valuation	
At 1 October 2019	50
	<hr/>
At 30 September 2020	50
	<hr/> <hr/>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Roehampton Hospital Limited	3rd Floor (South Building), 200 Aldersgate Street, London, EC1A 4HD	A - Ordinary	100%

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

9. Debtors

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Due after more than one year				
Amounts owed by group undertakings	-	-	3,275	3,275
Finance debtor	64,001	66,576	-	-
Deferred tax asset	5,589	5,695	-	-
	69,590	72,271	3,275	3,275
	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Due within one year				
Trade debtors	5,341	115	-	-
Other debtors	24	151	-	-
Prepayments and accrued income	20	48	-	-
Finance debtor	2,279	2,144	-	-
Deferred tax	-	39	-	-
	7,664	2,497	-	-

10. Creditors: Amounts falling due within one year

	Group 2020 £000	Group 2019 £000
Bank overdrafts	799	-
Senior loans	2,319	1,912
Other loans	136	124
Deferred tax - charge to profit or loss	26	-
Trade creditors	1,767	2,280
Corporation tax	66	742
Other taxation and social security	605	-
Accruals and deferred income	4,904	4,693
Other creditors	-	15
Cash flow hedge - RPI swap	489	405
Cash flow hedge - Interest rate swap	2,732	2,472
	13,843	12,643

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Senior loans	51,281	53,666	-	-
Mezzanine loan	2,470	2,602	-	-
Loan stock owed to shareholders	3,275	3,275	3,275	3,275
Cash flow hedge - RPI swap	9,010	12,564	-	-
Cash flow hedge - Interest rate swap	17,188	18,291	-	-
	83,224	90,398	3,275	3,275

The Group has a 30 year term loan which is repayable in 54 semi-annual installments commencing on 31 March 2006. The interest rate payable is LIBOR plus 0.9% in the operational phase. The group has entered into a swap transaction resulting in interest being charged on this loan at a rate of 5.375%. The loan is secured by a fixed and floating charge over the assets of the Group. The base facility matures on 30th September 2032.

The mezzanine facility carries an interest rate of LIBOR plus 4% and is repayable in 53 semi-annual installments commencing on 31 March 2006. The base facility matures on 31st March 2032.

The Group has unsecured loan stock issued to the current shareholders. The interest rate chargeable on the loan notes was 10.5% per annum to 31 March 2018 and 11.5% thereafter. Interest is paid twice yearly. This loan requires repayment by 31 March 2033.

12. Analysis of Debt

	2020 £000	2019 £000
Group debt can be analysed as falling due:		
In one year or less, or on demand	2,455	2,036
Between one and two years	2,314	2,455
Between two and five years	9,119	7,532
In five years or more	45,126	49,027
Plus: issue costs	467	529
	59,481	61,579

All debt, except for the unamortised issue costs, are repayable by installments.

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

13. Financial instruments

	Group 2020 £000	<i>Group 2019 £000</i>	Company 2020 £000	<i>Company 2019 £000</i>
Financial assets				
Financial assets that are debt instruments measured at amortised cost	17,656	<i>16,800</i>	3,275	<i>3,275</i>
Financial liabilities				
Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio	(19,920)	<i>(20,763)</i>	-	<i>-</i>
Financial liabilities measured at amortised cost	(66,952)	<i>(68,566)</i>	(3,275)	<i>(3,275)</i>
	(86,872)	<i>(89,329)</i>	(3,275)	<i>(3,275)</i>

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

13. Financial instruments (continued)

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, and financial assets.

Financial liabilities measured at amortised cost comprise trade creditors, accruals, bank loans, other creditors VAT and corporation tax.

Derivative financial instruments designated as hedges of variable interest rate risk comprise an interest rate swap. The fair value of the interest rate and RPI swaps has been determined by reference to prices available from the markets on which the instruments involved are traded.

The Group's principal financial instruments comprise of a term loan, mezzanine loan and unsecured loan stock. The main purpose of these financial instruments is to ensure that the profile of the debt service costs is tailored to match expected revenues arising from the Concession Agreement. The group does not undertake financial instrument transactions which are speculative or unrelated to the group's trading activities.

The main risks arising from the Group's financial instruments are interest rate risk, inflation risk and liquidity risk.

Interest rate risk

The term loan and mezzanine loan are exposed to interest rate risk, however the group has entered into a fixed interest rate swap to minimise risk from movements in base interest rates on its floating rate term loan. The unsecured loan stock is not exposed to interest rate risk.

Inflation rate risk

The unitary charge income is subject to indexation risk which is mitigated through an RPI swap in place to minimise risk from movements in inflation.

Liquidity risk

The group has entered into a fixed price index swap to achieve a correlation between the impact of inflationary increases on operating margin and finance charges in order to minimise cash flow variance.

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to occur as required by FRS 102.29(a) for the cash flow hedge accounting models:

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

13. Financial instruments (continued)

2020

	Carrying amount £000	Total Expected Cash Flows £000	1 year or less £000	1 to 2 years £000	2 to 5 years £000	5 years and over £000
Swap liabilities						
Interest rate swap	19,920	20,119	2,738	2,604	6,866	7,911
RPI swap	9,499	12,465	506	529	2,088	9,342
	<u>29,419</u>	<u>32,584</u>	<u>3,244</u>	<u>3,133</u>	<u>8,954</u>	<u>17,253</u>

2019

	Carrying amount £000	Total Expected Cash Flows £000	1 year or less £000	1 to 2 years £000	2 to 5 years £000	5 years and over £000
Swap liabilities						
Interest rate swap	20,763	21,346	2,485	2,478	6,798	9,585
RPI swap	12,969	15,331	413	522	2,000	12,396
	<u>33,732</u>	<u>36,677</u>	<u>2,898</u>	<u>3,000</u>	<u>8,798</u>	<u>21,981</u>

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

14. Deferred taxation

Group

	2020	<i>2019</i>
	£000	<i>£000</i>
At beginning of year	5,734	5,016
Charged to profit or loss	(26)	-
Charged to other comprehensive income	(145)	718
At end of year	5,563	<i>5,734</i>

A deferred tax asset has been recognised to the extent that the directors consider that it is more likely than not that sufficient taxable profits will be available in the future against which the deferred tax asset can be recovered.

This asset will unwind in line with the periodic swap payments made.

The deferred taxation balance is made up as follows:

	Group	<i>Group</i>
	2020	<i>2019</i>
	£000	<i>£000</i>
Accelerated capital allowances	(26)	39
Deferred tax on derivative financial instruments	5,589	5,695
	5,563	<i>5,734</i>

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

15. Provisions

Group

	Lifecycle provision £000
At 1 October 2019	6,018
Charged to profit or loss	1,081
Utilised in year	(1,629)
At 30 September 2020	5,470

Lifecycle provision

Provisions are made in respect of lifecycle maintenance to the extent that the Group is obliged to undertake maintenance in future periods.

This provision will unwind over the life of the concession as lifecycle payments fall due.

16. Share capital

	2020 £000	2019 £000
Allotted, called up and fully paid		
50,000 (2019 - 50,000) Ordinary shares of £1.00 each	50	50

17. Dividends

	2020 £000	2019 £000
Interim dividends paid	1,333	717
	1,333	717

ROEHAMPTON HOSPITAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

18. Reserves

Other reserves

The cash flow hedge reserve includes all current and prior period change in fair value of designated hedging and the associated tax movement.

Statement of Comprehensive Income

The Statement of Comprehensive Income includes all current and prior period retained profits and losses.

19. Related party transactions

	2020 Expenditure £000	2020 Creditor £000	2019 Expenditure £000	2019 Creditor £000
Sodexo Limited	7,937	(1,673)	7,472	(1,108)
Equitix Healthcare Limited	104	(2,129)	101	(2,129)
	<u>8,041</u>	<u>(3,802)</u>	<u>7,573</u>	<u>(3,237)</u>

Sodexo Limited is a related party as a sister company of Sodexo Investment Services Limited, 10% shareholders of Roehampton Hospital Holdings Limited. Expenditure relates to services and financing.

Equitix Healthcare Limited is a related party as a 65% shareholder of Roehampton Hospital Holdings Limited.

20. Controlling party

The Group is controlled by its shareholders under the shareholders agreement:

Equitix Healthcare Limited - 65%
Aberdeen Infrastructure (No.3) Limited - 25%
Sodexo Investment Services Limited - 10%