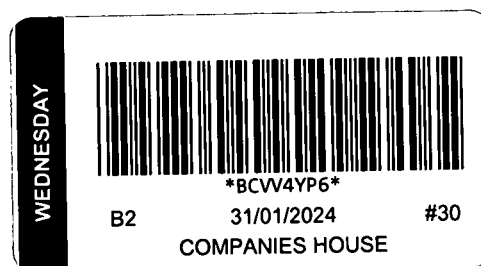


Company registration number 04892439 (England and Wales)

**ROEHAMPTON HOSPITAL HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**



# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	H Holman	
	G Pearce	
	F D Laing	(Appointed 1 December 2022)
	J N E Cowdell	
	S A Carter	
	C T Solley	
<b>Secretary</b>	O Peach	
<b>Company number</b>	04892439	
<b>Registered office</b>	3rd Floor, South Building 200 Aldersgate Street London England EC1A 4HD	
<b>Auditor</b>	BDO LLP 3 Hardman Street Manchester M3 3AT	

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# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

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# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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The directors present the strategic report for the year ended 30 September 2023.

#### Review of the business

The results of the Group for the year are set out in the Group Statement of Comprehensive Income on page 9. Turnover for the year was £14,241,000 (2022: £16,141,000) with profit before taxation of £2,434,000 (2022: £2,444,000). During the year, the Group paid out dividends of £1,683,896 (2022: Nil).

At the year end, the Group has total outstanding debt of £52,289,000 (2022: £54,596,000) and holds cash reserves totalling £14,216,000 (2022: £11,866,000). The Group currently has net assets of £102,000 (2022: net assets of £532,000) 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.

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

#### Principal risks and uncertainties

The Group has a single client; although loss of this client would be financially significant, the Group mitigates this risk via project contracts and by only dealing with creditworthy government authorities.

The Group's board of Directors has built an appropriate liquidity risk management framework for the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching maturity profiles of financial assets and liabilities.

Exposure to movements in interest rates and the retail prices index were hedged at financial close via an 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. The Directors have considered the stability of financial counterparties and have concluded that all financial counterparties have the ability to meet all contractual obligations.

#### Development and performance

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 in 2013. The Group continues to provide full operational services at Queen Mary's Hospital, Roehampton.

The Directors of the Group are not aware of any circumstances by which the principal activity of the Group would alter or cease.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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### Key performance indicators

The Group is governed by a detailed set of key performance indicators across the business as a whole.

These performance measures relate to:

- Health & Safety;
- Programme delivery (design and construction management);
- Service delivery;
- Asset management;
- Environmental management; and
- Customer satisfaction.

During the year, penalties totalling £15,859 (2022 - £18,625) were imposed for unavailability of hospital areas or for sub-standard delivery of operational services. This 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 financial model and analyse any fluctuations. On both these measures, the directors are satisfied that budget assumptions are being met.

### Going concern

The Group currently has net assets of £102,000 (2022: net assets of £532,000) as a result of accounting for the fair value of interest rate swap agreements, the majority of which do not crystallise as liabilities for a number of years. 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. The financial model in place allows the Directors to review forecasts, including cash flows, and allows for stress testing against the loan covenants. Due to the contractual nature of the SPV, cash flows are guaranteed with the only risk around going concern being the levels of service which are monitored closely through review of KPIs. The Directors have reviewed these tests and are satisfied with the results and consider the Group to be a going concern.

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 accounts.

On behalf of the board

DocuSigned by:  
  
E00D8FD107D54D9...  
H Holman  
Director

25 January 2024

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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The directors present their annual report and financial statements for the year ended 30 September 2023.

#### 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 results for the year are set out on page 9.

Ordinary dividends were paid amounting to £1,683,896. The directors do not recommend payment of a further dividend.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

H Holman

G Pearce

F D Laing

(Appointed 1 December 2022)

J N E Cowdell

S A Carter

C T Solley

A L Tennant

(Resigned 30 November 2022)

#### Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

DocuSigned by:



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H Holman

Director

25 January 2024

# **ROEHAMPTON HOSPITAL HOLDINGS LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 30 SEPTEMBER 2023***

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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). 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 judgements 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 and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company 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

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#### **Opinion on the financial statements**

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 2023 and of the Group's 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.

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 2023 which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group and Company Statements of Changes in Equity, Group Statement of Cashflows and 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).

#### **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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We are independent of the 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.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.



# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ROEHAMPTON HOSPITAL HOLDINGS LIMITED

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#### Other Companies Act 2006 reporting

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

- the information given in the Group Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic report and the 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 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 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.

#### 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 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 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 financial statements.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## **ROEHAMPTON HOSPITAL HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF ROEHAMPTON HOSPITAL HOLDINGS LIMITED**

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##### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the applicable accounting framework, and UK tax legislation, etc.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation and data protection.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit;
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

##### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ROEHAMPTON HOSPITAL HOLDINGS LIMITED

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Based on our risk management, we considered the areas most susceptible to fraud to be management override and revenue recognition.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Confirmation of revenue recognition through to supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

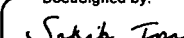
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 Group'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 Group'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 Group and the Group's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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**Sakib Isa (Senior Statutory Auditor)**

**For and on behalf of BDO LLP, Statutory Auditor**  
**Manchester, UK**

25 January 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Notes	2023 £'000	2022 £'000
Turnover	3	14,241	16,141
Cost of sales		(9,650)	(11,488)
<b>Gross profit</b>		<b>4,591</b>	<b>4,653</b>
Administrative expenses		(750)	(1,024)
<b>Operating profit</b>		<b>3,841</b>	<b>3,629</b>
Interest receivable and similar income	7	3,225	2,970
Interest payable and similar expenses	8	(4,632)	(4,155)
<b>Profit before taxation</b>		<b>2,434</b>	<b>2,444</b>
Tax on profit	9	(537)	(489)
<b>Profit for the financial year</b>		<b>1,897</b>	<b>1,955</b>
<b>Other comprehensive income</b>			
Cash flow hedges (loss)/gain arising in the year		(2,446)	5,916
Cash flow hedges gain reclassified to profit or loss		1,588	2,795
Tax relating to other comprehensive income		215	(2,178)
<b>Total comprehensive income for the year</b>		<b>1,254</b>	<b>8,488</b>

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## GROUP BALANCE SHEET

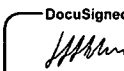
AS AT 30 SEPTEMBER 2023

	Notes	2023 £'000	£'000	2022 £'000	£'000
<b>Current assets</b>					
Debtors falling due after more than one year	14	61,288		65,183	
Debtors falling due within one year	14	9,483		8,380	
Cash at bank		14,216		11,866	
		<u>84,987</u>		<u>85,429</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(14,822)</u>		<u>(12,190)</u>	
<b>Net current assets</b>			70,165		73,239
<b>Creditors: amounts falling due after more than one year</b>	16		(66,233)		(68,671)
<b>Provisions for liabilities</b>					
Provisions	18	<u>3,830</u>		<u>4,036</u>	
			<u>(3,830)</u>		<u>(4,036)</u>
<b>Net assets</b>			<u>102</u>		<u>532</u>
<b>Capital and reserves</b>					
Called up share capital	20		50		50
Hedging reserve			(13,978)		(13,335)
Profit and loss reserves			<u>14,030</u>		<u>13,817</u>
<b>Total equity</b>			<u>102</u>		<u>532</u>

The notes on pages 15 to 30 form part of these financial statements.

These financial statements have been prepared in accordance with the provisions relating to medium-sized groups.

The financial statements were approved by the board of directors and authorised for issue on 25 January 2024 and are signed on its behalf by:

DocuSigned by:  
  
 E00D8FD107D54D9...  
 H Holman  
 Director

Company registration number 04892439 (England and Wales)

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## COMPANY BALANCE SHEET

AS AT 30 SEPTEMBER 2023

		2023		2022	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Investments	11		50		50
<b>Current assets</b>					
Debtors	14	3,275		3,275	
<b>Net current assets</b>			3,275		3,275
<b>Total assets less current liabilities</b>			3,325		3,325
<b>Creditors: amounts falling due after more than one year</b>	16		(3,275)		(3,275)
<b>Net assets</b>			50		50
<b>Capital and reserves</b>					
Called up share capital	20		50		50

The notes on pages 15 to 30 form part of these financial statements.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,683,896 (2022 - £0 profit).

The financial statements were approved by the board of directors and authorised for issue on 25 January 2024 and are signed on its behalf by:

DocuSigned by:  
  
 E0008FD107D54D9...  
 H Holman  
 Director

Company registration number 04892439 (England and Wales)

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	Share capital £'000	Hedging reserve £'000	Profit and loss reserves £'000	Total £'000
<b>Balance at 1 October 2021</b>		50	(19,868)	11,862	(7,956)
Profit for the year		-	-	1,955	1,955
Other comprehensive income:					
Cash flow hedges gains		-	5,916	-	5,916
Gains reclassified to profit or loss		-	2,795	-	2,795
Tax relating to items of other comprehensive income		-	(2,178)	-	(2,178)
Total comprehensive income		-	6,533	1,955	8,488
<b>Balance at 30 September 2022</b>		50	(13,335)	13,817	532
<b>Year ended 30 September 2023:</b>					
Profit for the year		-	-	1,897	1,897
Other comprehensive income:					
Cash flow hedges losses		-	(2,446)	-	(2,446)
Gains reclassified to profit or loss		-	1,588	-	1,588
Tax relating to items of other comprehensive income		-	215	-	215
Total comprehensive income		-	(643)	1,897	1,254
Dividends	10	-	-	(1,684)	(1,684)
<b>Balance at 30 September 2023</b>		50	(13,978)	14,030	102

The notes on pages 15 to 30 form part of these financial statements.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	Share capital £'000	Profit and loss reserves £'000	Total £'000
<b>Balance at 1 October 2021</b>		50	-	50
<b>Year ended 30 September 2022:</b>				
Profit and total comprehensive income for the year		-	-	-
<b>Balance at 30 September 2022</b>		50	-	50
<b>Year ended 30 September 2023:</b>				
Profit and total comprehensive income		-	1,684	1,684
Dividends	10	-	(1,684)	(1,684)
<b>Balance at 30 September 2023</b>		50	-	50

The notes on pages 15 to 30 form part of these financial statements.



# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 £'000	£'000	2022 £'000	£'000
<b>Cash flows from operating activities</b>					
Cash generated from operations	23		7,360		2,933
Corporation tax paid			(164)		(238)
<b>Net cash inflow from operating activities</b>			7,196		2,695
<b>Investing activities</b>					
Interest paid		(4,245)		(3,391)	
Interest received		3,170		2,914	
<b>Net cash used in investing activities</b>			(1,075)		(477)
<b>Financing activities</b>					
Repayment of borrowings		(2,169)		(2,314)	
Dividends paid to equity shareholders		(1,684)		-	
<b>Net cash used in financing activities</b>			(3,853)		(2,314)
<b>Net increase/(decrease) in cash and cash equivalents</b>			2,268		(96)
Cash and cash equivalents at beginning of year			11,866		11,962
<b>Cash and cash equivalents at end of year</b>			14,134		11,866
<b>Relating to:</b>					
Cash at bank and in hand			14,216		11,866
Bank overdrafts included in creditors payable within one year			(82)		-

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1 Accounting policies

#### Company information

Roehampton Hospital Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 3rd Floor, South Building, 200 Aldersgate Street, London, England, EC1A 4HD.

The group consists of Roehampton Hospital Holdings Limited and all of its subsidiaries.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, except for the modification to a fair value base for certain financial instruments as specified in the accounting policies below.

In preparing the separate financial statements of the Parent Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented;
- No cash flow statement has been presented for the parent company;
- Disclosures in respect of the Parent Company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the Group as a whole

#### 1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Roehampton Hospital Holdings Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 September 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.3 Going concern

The Group currently has net assets of £102,000 (2022: net assets of £532,000) as a result of accounting for the fair value of interest rate swap agreements, the majority of which do not crystallise as liabilities for a number of years. 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. The financial model in place allows the Directors to review forecasts, including cash flows, and allows for stress testing against the loan covenants. Due to the contractual nature of the SPV, cash flows are guaranteed with the only risk around going concern being the levels of service which are monitored closely through review of KPIs. The Directors have reviewed these tests and are satisfied with the results and consider the Group to be a going concern.

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 accounts.

#### 1.4 Turnover

The assets of the Group fall under Service Concession Arrangements by virtue of the fact that the public sector customer ("Grantor") passes both elements of the asset control test:

- i) The Grantor controls the use of the asset via the project agreement and all service level requirements contained therein;
- ii) The Grantor controls the entitlement to residual asset proceeds via an entitlement to purchase the asset prior to an offer to the open market which can be exercised at the Grantor's discretion.

Under section 34 of FRS102, such assets should be capitalised into a financial asset attributed to the provision of services.

Pursuant to section 23 of FRS102, revenue associated with the financial asset comprises service income related to facilities management, lifecycle maintenance and other administrative running costs of the Group.

Pass through income represents gross revenue in relation to the direct pass through of recoverable costs, as specified in the Project Agreement.

#### 1.5 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.7 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### **Service Concession**

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.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### 1 Accounting policies

(Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, 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 finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Group.

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

#### ***Hedge accounting***

The Group has entered into variable to fixed rate interest 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 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 period.

### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### ***Current tax***

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

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1 Accounting policies

(Continued)

#### 1.10 Provisions

Provisions are recognised when the Group has a legal or constructive present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### 1.11 Finance costs

Finance costs are measured initially at fair value and are measured subsequently at amortised cost using the effective interest method.

Issue costs are deducted against debt and amortised over the life of the instrument. This amortisation is charged to the Group Statement of Comprehensive Income.

#### 1.12 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.

#### 1.13 Interest receivable and Interest payable

Interest payable and similar charges include interest payable on borrowings and associated ongoing finance 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 as disclosed in note 1.5.

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.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 2 Judgements and key sources of estimation uncertainty

(Continued)

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Financial Asset Interest Rate

The financial asset interest income is based on the weighted average cost of capital of the project and is applied to the carrying value of the Financial Asset on a quarterly basis. The interest rate used is 6.3% (2022: 6.3%) per annum.

#### Construction Margin

Revenue on construction is recognised at cost plus 0.5% (2022: 0.5%) as profitability is considered to be low with no interim services provided during construction.

#### Operating Margin

Revenue on facilities management and other operating costs is recognised at cost plus 38.94% (2022: 34.06%) as considered comparable across the market and in line with the reliability at which operating costs can be estimated across the concession.

#### 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. A deferred tax asset is recognised on this fair value at 25% (2022 - 25%).

### 3 Turnover and other revenue

An analysis of the Group's turnover is as follows:

The whole of turnover is attributable to the principal activity of the Group.

	2023 £'000	2022 £'000
<b>Turnover analysed by class of business</b>		
Operation revenue	13,113	14,743
Pass through revenue	1,128	1,398
	<u>14,241</u>	<u>16,141</u>

All turnover arose within the United Kingdom.

### 4 Operating profit

The operating profit is stated after charging:

Auditor's remuneration was £24,610 (2022 - £21,400) in respect of audit services.

No Directors are employed directly by the Company (2022 - None).



# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 5 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Total	-	-	-	-

### 6 Directors' remuneration

	2023 £'000	2022 £'000
Remuneration for qualifying services	197	172

None of the directors received emoluments directly from the Group (2022: £Nil). A payment is made for the services of the non-executive directors to their employer.

### 7 Interest receivable and similar income

	2023 £'000	2022 £'000
<b>Interest income</b>		
Interest on bank deposits	545	67
Amortisation of issue costs	55	57
Finance debtor interest receivable	2,625	2,846
	<u>3,225</u>	<u>2,970</u>

### 8 Interest payable and similar expenses

	2023 £'000	2022 £'000
Interest on bank loans	4,066	3,655
Interest on loans from shareholders	377	382
Interest on mezzanine bank loan	189	118
	<u>4,632</u>	<u>4,155</u>

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 9 Taxation

	2023 £'000	2022 £'000
<b>Current tax</b>		
UK corporation tax on profits for the current period	537	489

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £'000	2022 £'000
Profit before taxation	2,434	2,444
Expected tax charge based on the standard rate of corporation tax in the UK of 22.00% (2022: 19.00%)	535	464
Tax effect of expenses that are not deductible in determining taxable profit	77	203
Deferred tax adjustments	(75)	(178)
<b>Taxation charge</b>	<b>537</b>	<b>489</b>

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023 £'000	2022 £'000
Reclassifications from equity to profit or loss:		
Relating to cash flow hedges	(215)	2,178

### 10 Dividends

	2023 £'000	2022 £'000
Recognised as distributions to equity holders:		
Final paid	1,684	-

### 11 Fixed asset investments

	Notes	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Investments in subsidiaries	12	-	-	50	50

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 11 Fixed asset investments (Continued)

Movements in fixed asset investments Company	Shares in subsidiaries £'000
<b>Cost or valuation</b>	
At 1 October 2022 and 30 September 2023	50
<b>Carrying amount</b>	
At 30 September 2023	50
At 30 September 2022	50

### 12 Subsidiaries

Details of the company's subsidiaries at 30 September 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Roehampton Hospital Limited	3rd Floor, South Building, 200 Aldersgate Street, London, EC1A 4HD, United Kingdom	A - Ordinary	100.00

### 13 Financial instruments

	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
<b>Carrying amount of financial liabilities</b>				
Measured at fair value through profit or loss				
- Other financial liabilities	16,052	17,780	-	-

Derivative financial instruments designated as hedges of variable interest rate risk comprise an interest rate swap and an RPI swap respectively. 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 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 a 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.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 13 Financial instruments

(Continued)

### 14 Debtors

	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
<b>Amounts falling due within one year:</b>				
Trade debtors	6,289	5,379	-	-
Other debtors	386	360	-	-
Finance debtor	2,738	2,575	-	-
Prepayments and accrued income	70	66	-	-
	<u>9,483</u>	<u>8,380</u>	<u>-</u>	<u>-</u>
<b>Amounts falling due after more than one year:</b>				
Amounts owed by group undertakings	-	-	3,275	3,275
Finance debtor	56,562	60,764	-	-
	<u>56,562</u>	<u>60,764</u>	<u>3,275</u>	<u>3,275</u>
Deferred tax asset (note 19)	4,726	4,419	-	-
	<u>61,288</u>	<u>65,183</u>	<u>3,275</u>	<u>3,275</u>
<b>Total debtors</b>	<u>70,771</u>	<u>73,563</u>	<u>3,275</u>	<u>3,275</u>

### 15 Creditors: amounts falling due within one year

	Notes	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Bank loans and overdrafts	17	2,872	2,087	-	-
Arrangement fees	17	52	55	-	-
Trade creditors		2,897	1,979	-	-
Subordinated debt		179	163	-	-
Corporation tax		466	146	-	-
Other taxation and social security		431	513	-	-
Cash flow hedge - Interest rate swap		232	495	-	-
Cash flow hedge - RPI swap		1,441	904	-	-
Accruals and deferred income		6,252	5,848	-	-
		<u>14,822</u>	<u>12,190</u>	<u>-</u>	<u>-</u>

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### 16 Creditors: amounts falling due after more than one year

	Notes	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Bank loans	17	43,744	46,535	-	-
Subordinated debt	17	2,006	2,185	-	-
Cash flow hedge - Interest rate swap		1,145	596	-	-
Amounts owed to group undertakings		3,275	3,275	3,275	3,275
Cash flow hedge - RPI swap		15,820	15,785	-	-
Arrangement fees		243	295	-	-
		<u>66,233</u>	<u>68,671</u>	<u>3,275</u>	<u>3,275</u>

The Group has a 30 year term loan which is repayable in 54 semi-annual instalments commencing on 31 March 2006. The interest rate payable is SONIA 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 SONIA plus 4% and is repayable in 53 semi-annual instalments commencing on 31 March 2006. The base facility matures on 31 March 2032.

The parent company shareholders subscribed to Loan Notes issued by the parent company, which subsequently loaned this amount to its subsidiary Roehampton Hospital Limited. The interest rate chargeable on the loan notes is 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.

On 27 May 2022 the Group signed Agreements with its SWAP Providers to transition the floating interest rates from LIBOR (the London Interbank Offered Rate) to SONIA (Sterling Overnight Index Average). The SONIA rate will be determined five business days before the end of each calendar month, with an agreed margin of 0.27662%. The transition commenced on 1 October 2022.

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>(33,413)</u>	<u>(35,718)</u>	<u>(3,275)</u>	<u>(3,275)</u>
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# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 17 Loans and overdrafts

	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Bank loans	46,534	48,623	-	-
Bank overdrafts	82	-	-	-
Subordinated loans	2,185	2,348	-	-
Arrangement fees	295	350	-	-
	<u>52,371</u>	<u>54,596</u>	<u>-</u>	<u>-</u>
Payable within one year	3,201	2,305	-	-
Payable after one year	<u>45,993</u>	<u>49,016</u>	<u>-</u>	<u>-</u>

### 18 Provisions for liabilities

	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Lifecycle provision	<u>3,830</u>	<u>4,036</u>	<u>-</u>	<u>-</u>

Movements on provisions:

Group	Lifecycle provision £'000
At 1 October 2022	4,036
Additional provisions in the year	803
Utilisation of provision	(1,009)
At 30 September 2023	<u>3,830</u>

Provisions are made in respect of life cycle 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.

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Assets 2023 £'000	Assets 2022 £'000
<b>Group</b>		
Deferred tax on derivative financial instruments	4,659	4,445
Other timing differences	67	(26)
	<u>4,726</u>	<u>4,419</u>

The company has no deferred tax assets or liabilities.

	Group 2023 £'000	Company 2023 £'000
<b>Movements in the year:</b>		
Asset at 1 October 2022	(4,419)	-
Charge to profit or loss	7	-
Credit to other comprehensive income	(215)	-
Other	(99)	-
	<u>(4,726)</u>	<u>-</u>
Asset at 30 September 2023	<u>(4,726)</u>	<u>-</u>

### 20 Share capital

	2023 Number	2022 Number	2023 £'000	2022 £'000
<b>Group and company</b>				
Ordinary share capital				
Issued and fully paid				
of £1 each	50,000	50,000	50	50
	<u>50,000</u>	<u>50,000</u>	<u>50</u>	<u>50</u>

### 21 Related party transactions

#### Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Purchases 2023 £'000	Purchases 2022 £'000
<b>Group</b>		
Sodexo Limited	7,998	7,045
	<u>7,998</u>	<u>7,045</u>

# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 21 Related party transactions (Continued)

	Subordinate loan interest		Director fees	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
<b>Group</b>				
Sodexo Limited	38	38	26	28
Aberdeen Infrastructure Finance GP Ltd	95	95	63	43
Equitix Healthcare Limited	248	248	103	90
	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2023	2022
	£'000	£'000
<b>Group</b>		
Sodexo Limited	2,430	1,411
Aberdeen Infrastructure Finance GP Ltd	929	1,008
Equitix Healthcare Limited	2,374	2,622
	<u>      </u>	<u>      </u>
	5,733	5,041
	<u>      </u>	<u>      </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.

Aberdeen Infrastructure Finance GP Ltd is a related party as a 25% shareholder of Roehampton Hospital Holdings Limited.

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

### 22 Controlling party

The directors of the Group do not consider there to be one controlling party. The Group is controlled by its shareholders under the shareholder agreement, with each of the shareholders having equal voting rights:

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



# ROEHAMPTON HOSPITAL HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 23 Cash generated from group operations

	2023 £'000	2022 £'000
Profit for the year after tax	1,897	1,955
<b>Adjustments for:</b>		
Taxation charged	537	489
Interest paid	4,632	4,155
Interest received	(3,170)	(2,914)
Amortisation of issue costs	(55)	(56)
Decrease in provisions	(206)	(245)
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	3,099	(139)
Increase/(decrease) in creditors	626	(312)
<b>Cash generated from operations</b>	<u>7,360</u>	<u>2,933</u>