

Registration number: 05708252

# The Hospital Company (Swindon & Marlborough) Group Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2023

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## **The Hospital Company (Swindon & Marlborough) Group Limited**

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## **The Hospital Company (Swindon & Marlborough) Group Limited**

### **Company Information**

<b>Directors</b>	R Little C J Blundell L J Falero
<b>Company secretary</b>	SPC Management Limited
<b>Registered office</b>	Third Floor Broad Quay House Prince Street Bristol BS1 4DJ
<b>Independent Auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 2 Glass Wharf Temple Quay Bristol BS2 0FR

## **The Hospital Company (Swindon & Marlborough) Group Limited**

### **Strategic Report for the Year Ended 31 March 2023**

The directors present their strategic report for the year ended 31 March 2023.

#### **Principal activity**

The principal activity of the company is an investment holding company formed on 14 February 2006, commencing activity on 14 September 2006, under a scheme to refinance the borrowings of its subsidiary undertaking, The Hospital Company (Swindon & Marlborough) Limited, by acquiring shares of The Hospital Company (Swindon & Marlborough) Holdings Limited, as part of a group restructuring on that date.

The Hospital Company (Swindon & Marlborough) Limited was established to undertake the design, construction, financing, commissioning and maintenance of a new acute general hospital and the provision of non-clinical services for a period of thirty years pursuant to and in accordance with the terms of a Private Finance Initiative ("PFI") agreement with the Great Western Hospitals NHS Foundation Trust. This agreement, together with a loan facilities agreement, a construction contract, a facilities management contract and other related contracts, were signed on 5 October 1999. Construction was completed on 4 January 2003.

In October 2003, The Hospital Company (Swindon & Marlborough) Limited entered into a contract with the Great Western Hospitals NHS Foundation Trust to design and build a diagnostic and treatment centre on the same site as the existing facilities. This facility was made available in April 2005. Operational activities commenced in August 2005 and availability payments were receivable from that date.

The hospital and diagnostic treatment centre continued to operate satisfactorily during the year.

#### **Results and review of business**

The profit for the year is set out in the profit and loss account on page 10. The directors consider the performance of the company during the year and the financial position at the end of the year, to be in line with the long term expected performance of the project, and its prospects for the future to be satisfactory.

#### **Principal risks and uncertainties**

As described above The Hospital Company (Swindon & Marlborough) Group Limited acts as a holding company for its subsidiaries, The Hospital Company (Swindon & Marlborough) Holdings Limited, The Hospital Company (Swindon & Marlborough) Limited and The Hospital Company (Swindon & Marlborough) 2006 Limited. As such the principal risks and key performance indicators adopted by The Hospital Company (Swindon & Marlborough) Limited and The Hospital Company (Swindon & Marlborough) 2006 Limited are applicable to the management of its investment in its subsidiaries and are detailed in the strategic reports of the financial statements for The Hospital Company (Swindon & Marlborough) Holdings Limited, The Hospital Company (Swindon & Marlborough) Limited and The Hospital Company (Swindon & Marlborough) 2006 Limited for the year ended 31 March 2023.

In addition, the holding company also takes the risk of impairment of its investment in the subsidiaries. This risk is directly related to the performance of the subsidiaries.

## **The Hospital Company (Swindon & Marlborough) Group Limited**

### **Strategic Report for the Year Ended 31 March 2023 (continued)**

#### **Key performance indicators ('KPIs')**

The company's operations are managed under the supervision of its shareholders and funders and are largely determined by the detailed terms of the PFI contract which stipulates key performance criteria on operational activities as managed by the sub-contractor. For this reason, the company's directors believe that further operational key performance indicators for the company are not necessary or appropriate for an understanding of the performance or position of the business. In addition the directors monitor compliance with debt covenant ratios as specified in the senior loan agreement, in particular the Debt Service Cover Ratio, and no non-compliance has been noted.

29 September 2023

Approved by the Board on ..... and signed on its behalf by:



.....  
R Little  
Director

## **The Hospital Company (Swindon & Marlborough) Group Limited**

### **Directors' Report for the Year Ended 31 March 2023**

**Registration number: 05708252**

The directors present their report and the audited financial statements for the year ended 31 March 2023.

#### **Future developments**

No significant changes are expected to the company's activities, as set out in the Strategic Report, in the foreseeable future.

#### **Dividends**

A dividend of £3,047,363 (£1.52 per ordinary share) was paid during the year (2022: £nil).

#### **Financial risk management**

As detailed in the strategic report The Hospital Company (Swindon & Marlborough) Group Limited acts as a holding company for its subsidiaries, The Hospital Company (Swindon & Marlborough) Holdings Limited, The Hospital Company (Swindon & Marlborough) Limited and The Hospital Company (Swindon & Marlborough) 2006 Limited. As such the financial risk management adopted by The Hospital Company (Swindon & Marlborough) Limited and The Hospital Company (Swindon & Marlborough) 2006 Limited is applicable to the management of its investment in its subsidiaries and is detailed in the directors' reports of the financial statements for The Hospital Company (Swindon & Marlborough) Holdings Limited, The Hospital Company (Swindon & Marlborough) Limited and The Hospital Company (Swindon & Marlborough) 2006 Limited for the year ended 31 March 2023.

In addition, the holding company also takes the risk of impairment of its investment in the subsidiaries. This risk is directly related to the performance of the subsidiaries.

#### **Directors of the company**

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

R Little

T Ryan (resigned 14 December 2022)

C J Blundell

L J Falero (appointed 14 December 2022)

## **The Hospital Company (Swindon & Marlborough) Group Limited**

### **Directors' Report for the Year Ended 31 March 2023 (continued)**

#### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Annual Report and the Financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### **Directors' confirmations**

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.


#### **Going concern**

The directors believe that preparing these financial statements on a going concern basis is appropriate due to the company's immediate subsidiary undertaking The Hospital Company (Swindon & Marlborough) Holdings Limited, confirming that for at least 12 months from the signing of these financial statements, it will not demand settlement of its loan if the company does not have the available resources to enable it to fund payments and meet other liabilities.

#### **Reappointment of auditors**

The independent auditors, PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors, have signified their willingness to continue in office.

Approved by the Board on 29 September 2023 and signed on its behalf by:

.....  
R Little  
Director

## **The Hospital Company (Swindon & Marlborough) Group Limited**

### **Independent Auditors' Report to the members of The Hospital Company (Swindon & Marlborough) Group Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion, The Hospital Company (Swindon & Marlborough) Group Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2023; the profit and loss account and statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

##### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.



## **The Hospital Company (Swindon & Marlborough) Group Limited**

### **Independent Auditors' Report to the members of The Hospital Company (Swindon & Marlborough) Group Limited (continued)**

#### **Reporting on other information (continued)**

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### *Strategic Report and Directors' Report*

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 year ended 31 March 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 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 company or to cease operations, or have no realistic alternative but to do so.

## **The Hospital Company (Swindon & Marlborough) Group Limited**

### **Independent Auditors' Report to the members of The Hospital Company (Swindon & Marlborough) Group Limited (continued)**

#### *Auditors' 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 auditors' 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.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK corporation tax legislation and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and internal audit to enquire of any known instances of non-compliance with Laws and Regulations and Fraud
- Reading board minutes for evidence of breaches of regulations and reading relevant correspondence
- Challenging assumptions and judgements made by management in their significant accounting estimates
- Identifying and testing journal entries, in particular journal entries posted with unexpected account combinations
- Incorporating unpredictability into the nature, timing and/or extent of our testing

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

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

**The Hospital Company (Swindon & Marlborough) Group Limited**

**Independent Auditors' Report to the members of The Hospital Company (Swindon & Marlborough) Group Limited (continued)**

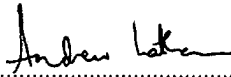
**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



.....  
Andrew Latham (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

Date: 30<sup>th</sup> September 2023

**The Hospital Company (Swindon & Marlborough) Group Limited**

**Profit and Loss Account for the Year Ended 31 March 2023**

	Note	2023 £ 000	2022 £ 000
<b>Operating profit/(loss)</b>	4	-	-
Income from shares in group undertakings	5	4,937	1,890
Interest payable and similar expenses	6	<u>(1,890)</u>	<u>(1,890)</u>
<b>Profit/(loss) before taxation</b>		3,047	-
Tax on profit/(loss)	7	<u>-</u>	<u>-</u>
<b>Profit/(loss) for the financial year</b>		<u><u>3,047</u></u>	<u><u>-</u></u>

The above results were derived from continuing operations.

The company has no other Comprehensive Income for the year other than the result/profit for the financial year stated above.

The notes on pages 13 to 19 form an integral part of these financial statements.

# The Hospital Company (Swindon & Marlborough) Group Limited

## Balance Sheet as at 31 March 2023

	Note	2023 £ 000	2022 £ 000
<b>Fixed assets</b>			
Investments	8	33,266	33,266
<b>Current assets</b>			
Debtors: Amounts falling due within one year	9	2,133	242
Cash at bank and in hand		<u>2</u>	<u>2</u>
		2,135	244
<b>Creditors: Amounts falling due within one year</b>	10	<u>(33,379)</u>	<u>(31,488)</u>
<b>Net current liabilities</b>		<u>(31,244)</u>	<u>(31,244)</u>
<b>Net assets</b>		<u>2,022</u>	<u>2,022</u>
<b>Capital and reserves</b>			
Called up share capital	12	2,022	2,022
Profit and loss account		<u>-</u>	<u>-</u>
<b>Total equity</b>		<u>2,022</u>	<u>2,022</u>

29 September 2023

The financial statements on pages 10 to 19 were approved by the Board of Directors on ..... and signed on its behalf by:

..... 

R Little  
Director

The notes on pages 13 to 19 form an integral part of these financial statements.

**The Hospital Company (Swindon & Marlborough) Group Limited**

**Statement of Changes in Equity for the Year Ended 31 March 2023**

	<b>Note</b>	<b>Called up Share capital £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total equity £ 000</b>
At 1 April 2021		<u>2,022</u>	<u>-</u>	<u>2,022</u>
At 31 March 2022		<u><u>2,022</u></u>	<u><u>-</u></u>	<u><u>2,022</u></u>

	<b>Note</b>	<b>Called up Share capital £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total equity £ 000</b>
At 1 April 2022		<u>2,022</u>	<u>-</u>	<u>2,022</u>
Profit for the financial year		<u>-</u>	<u>3,047</u>	<u>3,047</u>
Total comprehensive income / (expense)		<u>-</u>	<u>3,047</u>	<u>3,047</u>
Dividends	13	<u>-</u>	<u>(3,047)</u>	<u>(3,047)</u>
At 31 March 2023		<u><u>2,022</u></u>	<u><u>-</u></u>	<u><u>2,022</u></u>

The notes on pages 13 to 19 form an integral part of these financial statements.

# **The Hospital Company (Swindon & Marlborough) Group Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2023**

### **1 General information**

The principal activity of the company is an investment holding company formed on 14 February 2006, commencing activity on 14 September 2006, under a scheme to refinance the borrowings of its subsidiary undertaking, The Hospital Company (Swindon & Marlborough) Limited, by acquiring shares of The Hospital Company (Swindon & Marlborough) Holdings Limited, as part of a group restructuring on that date.

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom.

The address of its registered office is:

Third Floor  
Broad Quay House  
Prince Street  
Bristol  
BS1 4DJ

The company's functional and presentation currency is the pound sterling.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

#### **Going concern**

The directors believe that preparing these financial statements on a going concern basis is appropriate due to the company's immediate subsidiary undertaking The Hospital Company (Swindon & Marlborough) Holdings Limited, confirming that for at least 12 months from the signing of these financial statements, it will not demand settlement of its loan if the company does not have the available resources to enable it to fund payments and meet other liabilities.

## The Hospital Company (Swindon & Marlborough) Group Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 2 Accounting policies (continued)

##### Investment income

Investment income may include dividends and interest receivable. Dividends are included, as 'Income from shares in group undertakings'. Interim dividends are recognised when paid, whilst final dividends are recognised when approved by the paying company. Interest receivable is included, as 'Interest receivable and similar income', on an accruals basis. This heading may also include the amortisation of any premium or discount on the purchase of the loan which has been spread over the life of the loan to determine an effective interest rate.

##### Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

##### Impairment

Fixed asset investments are subject to impairment review if events or changes in circumstances occur which indicate that the carrying amount of the fixed asset may not be fully recoverable. An impairment review comprises a comparison of the carrying amount of the fixed asset with its recoverable amount, which is the higher of net realisable value and value in use.

Net realisable value is calculated by reference to the amount at which the asset could be disposed of. Value in use is calculated by discounting the expected future cash flows obtainable as a result of the assets continued use, including those resulting from its ultimate disposal, at a market based discount rate on a pre-tax basis. The carrying values of fixed assets are written down by the amount of any impairment and this loss is recognised in the profit and loss account in the year in which it occurs.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Cash balances are held in bank accounts which are subject to controls, exercised by the providers of the company's long term debt facilities, under the terms of its facility agreements.

##### Financial Instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

##### *(a) Financial assets*

Basic financial assets, including trade and other receivables, finance debtors, cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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.



## **The Hospital Company (Swindon & Marlborough) Group Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)**

#### **2 Accounting policies (continued)**

##### ***(a) Financial assets (continued)***

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### ***(b) Financial liabilities***

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest.

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### ***(c) Offsetting***

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.

##### **Called up share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### **Dividends**

Final dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. Interim dividends are recognised when paid. These amounts are recognised in the statement of changes in equity.

##### **Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions. The exemptions which the company has taken are:

- the requirement to prepare a statement of cash flows;

## The Hospital Company (Swindon & Marlborough) Group Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 2 Accounting policies (continued)

- certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated;
- the requirement to disclose related party transactions, with the members of the same group, that are wholly owned;
- the requirement to provide consolidated financial statements.

#### 3 Critical accounting judgements and estimation uncertainty

Judgements, estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may subsequently differ from these estimates.

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

There are no critical accounting judgements or estimates adopted by management applicable to this company.

#### 4 Operating profit/(loss)

The company had no employees during the year (2022: none). The emoluments of the directors are paid by the controlling parties. The directors services to this company and to a number of fellow group companies are primarily of a non executive nature and their emoluments are deemed to be wholly attributable to the controlling parties. The controlling parties charged £nil (2022: £nil) to the company in respect of these services.

The audit fee in respect of the company was £1,564 for the year (2022: £1,262)

This fee was paid on the company's behalf by a fellow group company, The Hospital Company (Swindon & Marlborough) Limited, for which no recharge has been made (year ended 31 March 2022: £nil).

#### 5 Income from shares in group undertakings

	2023 £ 000	2022 £ 000
Income from shares in group undertakings	<u>4,937</u>	<u>1,890</u>

#### 6 Interest payable and similar expenses

	2023 £ 000	2022 £ 000
Interest payable on loans from group undertakings	<u>1,890</u>	<u>1,890</u>
	<u>1,890</u>	<u>1,890</u>

## The Hospital Company (Swindon & Marlborough) Group Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 7 Tax on profit/(loss)

##### (a) Tax expense included in profit or loss

	2023 £ 000	2022 £ 000
<b>Current taxation</b>		
UK corporation tax	-	-
Tax on profit	-	-

##### (b) Reconciliation of tax charge

The tax on profit/(loss) for the year is lower than the standard rate of corporation tax in the UK (2022: the same as the standard rate of corporation tax in the UK) of 19% (2022: 19%).

The differences are reconciled below:

	2023 £ 000	2022 £ 000
Profit before taxation	3,047	-
Corporation tax at standard rate	579	-
Income not subject to tax	(579)	-
Total tax charge	-	-

##### (c) Tax rate changes

On the 3 March 2021 the UK Government announced that from 1 April 2023 the corporation tax rate will increase to 25% from 19%. This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

#### 8 Investments

	2023 £ 000	2022 £ 000
Investments in subsidiaries and related undertakings	33,266	33,266
	33,266	33,266

A full list of subsidiaries and related undertakings is shown in note 16.

#### 9 Debtors: Amounts falling due within one year

	2023 £ 000	2022 £ 000
Amounts owed by group undertakings	2,133	242

## The Hospital Company (Swindon & Marlborough) Group Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 10 Creditors

	Note	2023 £ 000	2022 £ 000
<b>Amounts falling due within one year</b>			
Amounts owed to group undertakings	11	<u>33,379</u>	<u>31,488</u>

#### 11 Loans and borrowings

	2023 £ 000	2022 £ 000
<b>Loans and borrowings falling due within one year</b>		
Amounts owed to group undertakings	<u>31,246</u>	<u>31,246</u>

The amounts owed to group undertakings include a loan of £31,246,000 which is repayable on demand, bears interest at 6.05% per annum and is unsecured.

#### 12 Called up share capital

##### Allotted, called up and fully paid shares

	2023		2022
	No. 000	£ 000	No. 000      £ 000
Ordinary shares of £1.01 each	<u>2,002</u>	<u>2,022</u>	<u>2,002      2,022</u>

#### 13 Dividends

	2023 £ 000	2022 £ 000
Final dividend of £1.52 (2022 - £nil) per ordinary share	<u>3,047</u>	<u>-</u>

#### 14 Related party transactions

As a wholly owned subsidiary of Semperian PPP Investment Partners Holdings Limited, the company has taken advantage of the exemption under FRS 102 - paragraph 33.1A of the requirement to disclose transactions between it and other group companies.

## The Hospital Company (Swindon & Marlborough) Group Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 15 Parent and ultimate parent undertaking

The company's immediate parent is Semperian PPP Investment Partners No 2 Limited, incorporated in England and Wales.

The ultimate parent and controlling party is Semperian PPP Investment Partners Holdings Limited, incorporated in Jersey. The smallest group and largest group to consolidate these financial statements is Semperian PPP Investment Partners Holdings Limited. These financial statements are available upon request from the Company Secretary at Third Floor, Broad Quay House, Prince Street, Bristol, BS1 4DJ.

#### 16 Subsidiary and related undertakings

The company holds investments in the following undertakings incorporated in the UK:

Subsidiary and related undertakings	Activities	Percentage of ordinary shares held
<b>Direct Investment</b>		
The Hospital Company (Swindon & Marlborough) Holdings Limited	Holding company	100%
<b>Indirect Investment</b>		
The Hospital Company (Swindon & Marlborough) Limited	Project Company	100%
The Hospital Company (Swindon & Marlborough) 2006 Limited	Sister Company (financial vehicle)	100%

The registered office for the companies shown above is: Third Floor, Broad Quay House, Prince Street, Bristol, BS1 4DJ.