

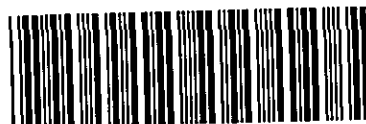
Robertson Health (Gartnavel) Limited

Directors' report and financial statements

Registered number SC271565

31 March 2009

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Directors and advisors

Directors

WG Robertson
JDG Perks
AP Fordyce
B Balfour

Registered Office

10 Perimeter Road
Pinefield Industrial Estate
Elgin
Moray
IV30 6AE

Company Secretary

PK Johnstone

Registered Auditors

KPMG LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

Solicitors

Maclay Murray & Spens
3 Glenfinlas Street
Edinburgh
EH3 6AQ

Bankers

Bank of Scotland
11 Earl Grey Street
Edinburgh
EH3 9BN

Directors' report

The directors present their report and the financial statements for the year ended 31 March 2009.

Principal activities

The principal activities of the company are the development of the site of Gartnavel Hospital and the provision of services through an agreement with Greater Glasgow Health Board. The agreement was entered into under the Government's Private Finance Initiative Scheme.

Business review

Robertson Health (Gartnavel) Limited is a special purpose company established by Robertson Capital Projects Limited and Uberior Infrastructure Investments Limited. On 25 November 2005 the company entered into a contract with Greater Glasgow Health Board to develop the site of Gartnavel Hospital including the provision of facilities management services.

During the year the company completed the construction phase of the project. The profit for the year is set out in the profit and loss account on page 5. The profit for the year is £94,897 (2008: £165,103).

On 20th November 2008 Uberior Infrastructure Investments Limited transferred its ordinary shares in Robertson Education (Holdings) Limited to Uberior Infrastructure Investments (No3) Limited and also transferred its unsecured loan stock in Robertson Education (Holdings) Limited to BOS Infrastructure Limited.

Dividend

The directors do not recommend the payment of a dividend.

Directors

The directors who held office during the year are set out below.

WG Robertson
JDG Perks
AP Fordyce
M Findlay (Resigned 11/03/09)
B Balfour (Appointed 2 April 2009)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



PK Johnstone
Secretary

26/10/2009 Stirling

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
United Kingdom

Independent auditors' report to the members of Robertson Health (Gartnavel) Limited

We have audited the financial statements of Robertson Health (Gartnavel) Limited for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



KPMG LLP
Chartered Accountants
Registered Auditor

26 October 2009

Profit and loss account
for the year ended 31 March 2009

	Note	2009 £	2008 £
Turnover	2	837,797	2,965,339
Operating expenses	3	(551,003)	(2,680,687)
Operating profit		286,794	284,652
Interest receivable and similar income	6	1,176,539	562,291
Interest payable and similar charges	7	(1,331,532)	(611,082)
Profit on ordinary activities before taxation	4	131,801	235,861
Tax on profit on ordinary activities	8	(36,904)	(70,758)
Profit for the financial year	14	94,897	165,103

The profit for the year has been derived from continuing activities.

The company has no recognised gains or losses for the current or previous financial years other than those reported above.

Balance sheet
at 31 March 2009

	<i>Note</i>	2009 £	2008 £
Current assets			
Debtors : due within one year	9	504,274	576,957
Debtors : due after more than one year	9	19,573,074	19,859,452
Cash at bank and in hand		1,255,027	700,454
		<hr/>	<hr/>
		21,332,375	21,136,863
Creditors: amounts falling due within one year	10	(917,582)	(689,605)
		<hr/>	<hr/>
Net current assets		20,414,793	20,447,258
Creditors: amounts falling due after more than one year	11	(19,952,793)	(20,080,155)
		<hr/>	<hr/>
Net assets		462,000	367,103
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	12	2,020	2,020
Share premium account	13	199,980	199,980
Profit and loss account	14	260,000	165,103
		<hr/>	<hr/>
Shareholders' funds	15	462,000	367,103
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 26/10 / 2009 and were signed on its behalf by:

Alex Fordyce

A Fordyce
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

Cash flow statement

The company is exempt from the requirements of Financial Reporting Standard number 1 to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under section 246 to 249 of the Companies Act 1985.

Turnover

Turnover represents the value of work done and services rendered, excluding sales and related taxes.

Amounts recoverable under contracts

Costs incurred in the construction of the hospital have been accounted for under Financial Reporting Standard ('FRS') 5 Application Note F. Applying the guidance within the Application Note indicates that the project's principal agreements transfer substantially all the risks and rewards of ownership to the Greater Glasgow Health Board. As such, all construction costs incurred on the project, including interest on finance up to the date of commission and incidental costs are recorded as construction work in progress during the construction phase of the project. Costs are recognised as cost of sales to the extent that they relate to the value of work done in respect of turnover recognised.

On completion of the construction phase the resultant contract receivable debtor will be reclassified as a finance debtor.

Financial instruments

The company is party to a derivative interest rate swap agreement, which has been issued to manage exposures to fluctuations in interest rates.

Finance costs in accordance with FRS4 are charged to the profit and loss account over the life of the loan once the project reaches an operational phase.

Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Notes (continued)

2 Turnover

	2009 £	2008 £
Services fees	809,942	397,937
Value of work done	-	2,426,170
Other income	27,855	141,232
	<u>837,797</u>	<u>2,965,339</u>

3 Operating expenses

	2009 £	2008 £
Materials, site and production costs	-	2,416,154
Other operating expenses	521,739	253,836
Management fees	29,264	10,697
	<u>551,003</u>	<u>2,680,687</u>

4 Profit on ordinary activities before taxation

	2009 £	2008 £
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Auditors' remuneration:		
Audit of these financial statements	3,365	3,240
Audit of parent company financial statements pursuant to legislation	1,000	1,000
Other services relating to taxation	3,240	3,000
	<u>7,605</u>	<u>7,240</u>

5 Directors' and employees' remuneration

The directors received no emoluments from the company during the year. There are no employees of the company.

Robertson Capital Projects Limited received fees of £10,080 (2008: £9,692) from the company during the year in respect of the services of WG Robertson and A Fordyce as directors.

Bank of Scotland received fees of £10,080 (2008: £9,692) from the company during the year in respect of the services of JDG Perks and M Findlay as directors.

Notes (continued)

6 Interest receivable and similar income

	2009 £	2008 £
Bank interest receivable	37,532	15,594
Interest receivable on finance debtor	1,139,007	546,697
	<u>1,176,539</u>	<u>562,291</u>

7 Interest payable

	2009 £	2008 £
Interest paid on Senior Debt	1,050,654	473,336
Interest paid on Subordinate Debt	280,878	137,746
	<u>1,331,532</u>	<u>611,082</u>

8 Taxation

	2009 £	2008 £
Analysis of charge in year		
UK corporation tax	36,904	70,758
Tax on profit on ordinary activities	<u>36,904</u>	<u>70,758</u>

Factors affecting the tax charge for the current year

The current tax charge for the year is the same as (2008: *the same as*) the standard rate of corporation tax in the UK (28%), (2008: 30%).

9 Debtors

	2009 £	2008 £
<i>Amounts falling due within one year</i>		
Finance debtor	293,287	285,096
Prepayments and accrued income	23,503	21,150
Corporation tax	26,100	-
Other debtors	161,384	270,711
	<u>504,274</u>	<u>576,957</u>
<i>Amounts falling due after more than one year</i>		
Finance debtor	<u>19,573,074</u>	<u>19,859,452</u>

Notes (continued)

9 Debtors (continued)

	2009 £	2008 £
<i>Finance debtor</i>		
At beginning of year	20,144,548	17,906,295
Additions	-	2,370,345
Repayments	(278,187)	(132,092)
	<hr/>	<hr/>
At end of year	19,866,361	20,144,548
	<hr/>	<hr/>

The finance debtor represents payments due from Greater Glasgow Health Board in respect of the Project Agreement. These payments are recoverable over the remaining life of the agreement.

10 Creditors: amounts falling due within one year

	2009 £	2008 £
Senior debt (note 9)	142,230	105,028
Trade creditors	288,317	248,393
Accruals and deferred income	403,286	260,423
Other creditors	83,749	33,581
Corporation tax	-	42,180
	<hr/>	<hr/>
	917,582	689,605
	<hr/>	<hr/>

11 Creditors: amounts falling due after more than one year

	2009 £	2008 £
Senior debt (secured)	18,080,275	18,207,637
Subordinated debt	1,872,518	1,872,518
	<hr/>	<hr/>
	19,952,793	20,080,155
	<hr/>	<hr/>

The senior debt due to the Bank of Scotland is secured by a bond and floating charge over the assets and undertakings of the company and by a guarantee supported by a bond and floating charge over the assets and undertakings of its parent company. The loan bears interest at 5.67% per annum under a swap agreement entered into by the company. The swap rate is fixed for the duration of the term loan. The term loan is repayable in quarterly instalments which commence 15 January 2008. The final repayment is due 15 July 2035.

Subordinated debt provided by Robertson Health (Gartnavel) Holdings Limited bears interest at 15% per annum and is repayable in 2035.

Notes (continued)

11 Creditors: amounts falling due after more than one year (continued)

	2009 £	2008 £
Debt can be analysed as falling due:		
In one year or less, or on demand	142,230	105,028
Between one and two years	145,612	142,230
Between two and five years	679,771	586,955
In five years or more	19,558,780	19,797,208
Finance cost	(431,370)	(446,238)
	<u>20,095,023</u>	<u>20,185,183</u>

12 Called up share capital

	2009 £	2008 £
<i>Authorised</i>		
202,000 Ordinary shares of £0.01 each	<u>2,020</u>	<u>2,020</u>
	2009 £	2008 £
<i>Allotted, called up and fully paid</i>		
202,000 Ordinary shares of £0.01 each	<u>2,020</u>	<u>2,020</u>

13 Share premium account

	2009 £
At beginning and end of year	<u>199,980</u>

14 Profit and loss account

	£
At beginning of year	165,103
Profit for the year	<u>94,897</u>
At end of year	<u>260,000</u>

Notes (continued)

15 Reconciliation of movements in shareholders' funds

	2009 £
Opening shareholders' funds	367,103
Profit for the year	94,897
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Closing shareholders' funds	462,000
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16 Commitments

At 31 March 2009 the company had authorised and contracted capital commitments of £245,465 (retention) (2008: £241,348).

17 Related party disclosures

The main construction contract for the project was placed with Robertson Construction (Central) Limited, whose ultimate holding company is Robertson Group Limited. Robertson Group Limited is a 95% shareholder in Robertson Capital Projects Limited, a 70% shareholder in the company's immediate holding company, Robertson Health (Gartnavel) Holdings Limited.

During the year the company incurred the following expenditure with the following related parties. The amounts receivable and payable outstanding at the end of the year are also set out below:

Related Party	Relationship	Class of Transaction	2009 Expenditure £	2008 Expenditure £	2009 Creditor £	2008 Creditor £
Uberior Infrastructure Investments (No 3) Ltd	30% shareholder linked by common control from the same source	Directors Fees/Agency Fees/Debt Service	(128,766)	(80,617)	(19,220,679)	(19,338,224)
Robertson Capital Projects Limited	70% shareholder of Robertson Health (Gartnavel) Holdings Limited	Construction/Management Services	(487,558)	(2,918,353)	(1,351,163)	(1,440,849)

Related party transaction amounts in respect of Uberior Infrastructure Investments (No.3) Limited include payments to companies who have common control from the same source.

During the year the company paid interest of £280,878 (2008: £275,443) to Robertson Health (Gartnavel) Holdings Limited, the immediate parent company.

18 Immediate and ultimate holding company

The company's immediate holding company is Robertson Health (Gartnavel) Holdings Limited, a company incorporated in England. The accounts of Robertson Health (Gartnavel) Holdings Limited can be obtained from Companies House.

The ultimate holding company of Robertson Health (Gartnavel) Holdings Limited is Robertson Group Limited, a company incorporated in Scotland and controlled by W G Robertson. The largest and smallest group in which the results of the company are consolidated is that headed by Robertson Group Limited. The consolidated accounts of

this group are available to the public and may be obtained from Robertson Group Limited, 10 Perimeter Road, Elgin, IV30 6AE.