

**Robertson Health (Clackmannanshire) Limited**

Directors' report and financial statements

Registered number SC 259895

31 March 2009 SC 312130

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## **Directors and advisors**

### **Directors**

WG Robertson  
AP Fordyce

### **Registered Office**

10 Perimeter Road  
Pinefield Industrial Estate  
Elgin  
Morayshire  
IV30 6AE

### **Company Secretary**

P Johnstone

### **Registered Auditors**

KPMG LLP  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EG

### **Solicitors**

Maclay Murray & Spens  
151 St Vincent St  
Glasgow  
G2 5NJ

### **Bankers**

The Cooperative Bank  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

## Directors' report

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

### Principal activities

The principal activities of the company are the design, build, finance, operation and maintenance of Clackmannanshire Community Health Services Centre, through an agreement with Forth Valley NHS Trust. The agreement was entered into under the Government's Private Finance Initiative Scheme.

### Business review

Robertson Health (Clackmannanshire) Limited is a special purpose company established by Robertson Capital Projects Limited. The company has entered into a 29 year contract with Forth valley NHS Trust to design, build, finance, operate and maintain a new community health centre at Clackmannanshire in Forth Valley, including the provision of hard and soft facilities management services. The health centre was under construction during the year and opened on 14<sup>th</sup> May 2009.

The result for the year is set out in the profit and loss account on page 5.

### Proposed dividend and transfer to reserves

The directors do not recommend the payment of a dividend. The retained profit for the year is £411,340.

### Directors

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

WG Robertson  
AP Fordyce

### 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



P Johnstone  
Secretary

4 December 2009 Elgin

## **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 (Clackmannanshire) Limited**

We have audited the financial statements of Robertson Health (Clackmannanshire) 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**

As described in the Statement of Directors' Responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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. In addition we report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also 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**

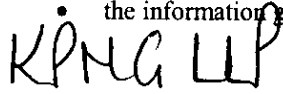
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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**  
Registered Auditor  
Chartered Accountants

4 December 2009

**Profit and loss account**  
*for the year to 31 March 2009*

	<i>Note</i>	<b>2009</b> £	2008 £
<b>Turnover</b>		<b>12,865,751</b>	8,423,654
Operating expenses	2	<b>(12,877,925)</b>	(8,423,656)
<b>Operating loss</b>		<b>(12,174)</b>	(2)
Other income		<b>508,301</b>	-
Interest receivable and similar income	5	<b>29</b>	2
Interest payable and similar charges	6	<b>(2,634)</b>	-
<b>Profit on ordinary activities before taxation</b>		<b>493,522</b>	-
Tax on profit on ordinary activities	7	<b>(82,182)</b>	-
<b>Profit for the financial year</b>	13	<b>411,340</b>	-

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

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

**Balance sheet**  
*at 31 March 2009*

	<i>Note</i>	<b>2009</b> £	<b>2008</b> £
<b>Current assets</b>			
Debtors : due within one year	8	1,250	149,497
Debtors : due after more than one year	8	21,289,306	8,423,654
Cash at bank and in hand		44,625	181,935
		<hr/>	<hr/>
		21,335,181	8,755,086
<b>Creditors: amounts falling due within one year</b>	9	(767,851)	(3,663,822)
		<hr/>	<hr/>
<b>Net current assets</b>		20,567,330	5,091,264
<b>Creditors: amounts falling due after more than one year</b>	10	(19,953,990)	(4,889,264)
		<hr/>	<hr/>
<b>Net assets</b>		613,340	202,000
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	12	202,000	202,000
Profit and loss account	13	411,340	-
		<hr/>	<hr/>
<b>Shareholders' funds</b>	14	613,340	202,000
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 4 December 2009 and were signed on its behalf by:

*Alan Fordyce*

A P 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 requirement of Financial Reporting Standard number 1 to prepare a cashflow statement as it is entitled to filing exemption 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 / finance debtor***

Costs incurred in the construction of the hospital have been accounted for in accordance with 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 Aberdeenshire Council. 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. Fees will be allocated between turnover and reimbursement of finance debtor so as to generate a constant rate of return in respect of the finance debtor over the life of the contract.

#### ***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.

#### ***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 Operating expenses**

	2009 £	2008 £
Materials, site and production costs	12,865,519	8,423,656
Other operating expenses	12,406	-
	<u>12,877,925</u>	<u>8,423,656</u>

**3 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	3,360	3,390
Audit of parent financial statements pursuant to legislation	1,000	1,000
Other services relating to taxation	3,240	3,000
	<u>7,600</u>	<u>7,390</u>

**4 Remuneration of directors**

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 £10,693 (2008: £7,500) from the company during the year in respect of the services of WG Robertson and A Fordyce as directors.

**5 Interest receivable and similar income**

	2009 £	2008 £
Bank interest receivable	29	2
	<u>29</u>	<u>2</u>

**6 Interest payable and similar charges**

	2009 £	2008 £
Subordinated loan interest	2,634	-
	<u>2,634</u>	<u>-</u>

## Notes (continued)

### 7 Taxation

Analysis of charge in year	2009 £	2008 £
UK corporation tax	82,182	-
Tax on profit on ordinary activities	82,182	-

#### *Factors affecting the tax charge for the current year*

The current tax charge for the year is lower than (2007: the same as) the standard rate of corporation tax in the UK (28%) (2007: 30%).

	2009 £	2008 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	493,522	-
Corporation tax at 28% (2007: 30%)	138,186	-
<i>Effects of:</i>		
Tax losses utilised	(56,004)	-
	82,182	-

### 8 Debtors

	2009 £	2008 £
<i>Amounts falling due within one year</i>		
Prepayments	1,250	-
Other debtors	-	149,497
	1,250	149,497
<i>Amounts falling due after more than one year</i>		
Amounts recoverable on contracts	21,289,306	8,423,654

**Notes (continued)**

**9 Creditors: amounts falling due within one year**

	2009 £	2008 £
Bank loan (secured) (note 10)	18,402	-
Equity bridge loan	-	1,648,931
Trade creditors	496,851	784,532
Corporation tax	82,182	-
Accruals and deferred income	167,749	1,230,359
Other creditors	2,667	-
	<u>767,851</u>	<u>3,663,822</u>

**10 Creditors: amounts falling due after more than one year**

	2009 £	2008 £
Bank loan (secured)	18,237,448	4,889,264
Subordinated debt	1,716,542	-
	<u>19,953,990</u>	<u>4,889,264</u>

The senior debt with the Cooperative Bank is secured by a bond and floating charge over the company's present and future assets. The debt is also secured by a guarantee supported by a bond and floating charge over the assets and undertakings of the company's parent company, Robertson Health (Clackmannanshire) Holdings Limited. The loan bears interest at 6.49% per annum under a swap agreement entered into by the company. The swap rate is fixed for the duration of the loan. The loan is stated net of finance costs of £336,100 and is repayable in quarterly instalments which will commence 30 June 2009. The final repayment date is 30 September 2036.

	2009 £	2008 £
Debt can be analysed as falling due:		
In one year or less, or on demand	18,402	-
Between one and two years	32,002	1,667,332
Between two and five years	321,022	202,014
In five years or more	19,937,066	5,004,949
Finance costs	(336,100)	(336,100)
	<u>19,972,392</u>	<u>6,538,194</u>

**12 Called up share capital**

	2009 £	2008 £
<i>Authorised, allotted, called up and fully paid</i>		
202,000 Ordinary shares of £1.00	<u>202,000</u>	<u>202,000</u>

**Notes (continued)**

**13 Profit and loss account**

	2009 £
At beginning of year	-
Profit for the year	411,340
	<hr/>
At end of year	411,340
	<hr/>

**14 Reconciliation of movements in shareholders' funds**

	2009 £	2008 £
Profit for the financial year	411,340	-
New share capital issued	-	202,000
	<hr/>	<hr/>
Net addition to shareholders' funds	411,340	202,000
Opening shareholders' funds	202,000	-
	<hr/>	<hr/>
Closing shareholders' funds	613,340	202,000
	<hr/>	<hr/>

**15 Related party transactions**

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 (Clackmannanshire) Holdings Limited.

Related party	Relationship	Class of Transaction	2009 Expenditure £	2008 Expenditure £	2009 Creditor £	2008 Creditor £
Robertson Construction (Central) Ltd	Common ultimate parent	Construction	11,347,913	-	490,893	-
Robertson Capital Projects Limited	70% shareholder of Robertson Health (Clackmannanshire Holdings Limited)	Construction/ Management Services	20,146	-	-	-

During the year the company paid interest of £2,634 (2008: £nil) to Robertson Health (Clackmannanshire) Limited, its parent company.

**Notes** *(continued)*

**16 Ultimate holding company**

The company's immediate holding company is Robertson Health (Clackmannanshire) Holdings Limited, a company incorporated in Scotland, registered number 0243125. The accounts of Robertson Health (Clackmannanshire) Holdings Limited can be obtained from Companies House, 37 Castle Terrace Edinburgh, EH1 2EB.

The ultimate holding company of Robertson Health (Clackmannanshire) 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.