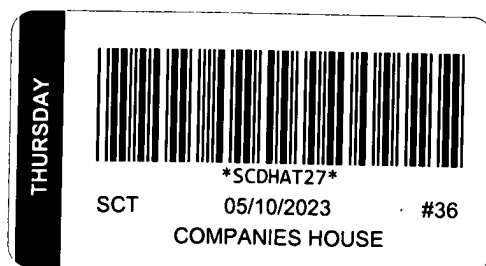


Company registration number SC193622 (Scotland)

**CUMNOCK SPV HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**



# CUMNOCK SPV HOLDINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Nicola Graham Derek Maxwell Lindsay
<b>Company number</b>	SC193622
<b>Registered office</b>	Avondale House Suites 1L - 10 Phoenix Crescent Strathclyde Business Park Bellshill North Lanarkshire ML4 3NJ
<b>Auditor</b>	Azets Audit Services Titanium 1 King's Inch Place Renfrew PA4 8WF

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# **CUMNOCK SPV HOLDINGS LIMITED**

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# CUMNOCK SPV HOLDINGS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2023

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

#### Principal activities

The principal activity of the Company is to act as a non-trading holding company for Cumnock SPV Limited. Cumnock SPV Limited provides, under a Private Finance Initiative ("PFI") agreement, the design, construction, finance and maintenance of East Ayrshire Community Hospital. Under the PFI agreement, Cumnock SPV Limited entered into a Project Agreement with The Ayrshire and Arran Community Health Care National Health Service Trust. The Project Agreement is the contractual mechanism which sets forth the mutual obligations regarding the construction and maintenance of the hospital.

There are no anticipated future developments other than the fulfilment of the Project Agreement to July 2025.

#### Results and dividends

The results for the year are set out on page 7.

#### Directors

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

Nicola Graham  
Derek Maxwell Lindsay

#### Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Statement of directors' responsibilities

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 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 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 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. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Statement of disclosure to auditor

Each of the persons who are Directors at the time when this Director's Report is approved has confirmed that:

- 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 Company's auditor is unaware; and
- each director has taken all the necessary steps that they ought to have taken as a Director in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

**CUMNOCK SPV HOLDINGS LIMITED**

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Post balance sheet events**

There were no post balance sheet events.

**Small companies exemption**

In preparing this report, the Directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

On behalf of the board

DocuSigned by:



03692E093007480.....  
Derek Maxwell Lindsay  
Director

03-Oct-2023 | 1:54 PM BST

Date: .....

# CUMNOCK SPV HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CUMNOCK SPV HOLDINGS LIMITED

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#### Opinion

We have audited the financial statements of Cumnock SPV Holdings Limited (the 'Company') for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Small Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

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

## **CUMNOCK SPV HOLDINGS LIMITED**

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

#### **TO THE MEMBERS OF CUMNOCK SPV HOLDINGS LIMITED**

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##### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

##### **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 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.

##### **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.

A further description of our responsibilities is available on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## CUMNOCK SPV HOLDINGS LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE MEMBERS OF CUMNOCK SPV HOLDINGS LIMITED

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***The extent to which the audit was considered 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 and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Company is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Company that were contrary to applicable laws and regulations, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with directors and other management, and from our commercial knowledge and experience of the construction sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and taxation, data protection, anti-bribery, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

The risk of fraud through management bias and override of controls was minimal as the company did not trade during the year so there were:

- no transactions in the year;
- no journal entries; and
- no accounting estimates made.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



## **CUMNOCK SPV HOLDINGS LIMITED**

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

### **TO THE MEMBERS OF CUMNOCK SPV HOLDINGS LIMITED**

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#### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members, as a body, 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.

*Azets Audit Services*

**James McBride**  
**Senior Statutory Auditor**  
**For and on behalf of Azets Audit Services**

3 October 2023

**Chartered Accountants**  
**Statutory Auditor**

Titanium 1  
King's Inch Place  
Renfrew  
PA4 8WF

**CUMNOCK SPV HOLDINGS LIMITED****STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Other interest receivable and similar income		-	975,000
<b>Profit before taxation</b>		-	975,000
Tax on profit	4	-	-
<b>Profit for the financial year</b>		-	975,000

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 10 to 12 form part of these financial statements.

**CUMNOCK SPV HOLDINGS LIMITED****BALANCE SHEET****AS AT 31 MARCH 2023**

		<b>2023</b>		<b>2022</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Investments	<b>6</b>		218,002		218,002
			=====		=====
<b>Capital and reserves</b>					
Called up share capital	<b>7</b>		218,002		218,002
			=====		=====

The notes on pages 10 to 12 form part of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - Small Entities.

03-Oct-2023 | 1:54 PM BST

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

DocuSigned by:

*Derek Lindsay*

93692E093007480.....

Derek Maxwell Lindsay

Director

Company Registration No. SC193622

**CUMNOCK SPV HOLDINGS LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2021</b>		218,002	-	218,002
<b>Period ended 31 March 2022:</b>				
Profit and total comprehensive income for the period		-	975,000	975,000
Dividends	5	-	(975,000)	(975,000)
<b>Balance at 31 March 2022</b>		218,002	-	218,002
<b>Year ended 31 March 2023:</b>				
Profit and total comprehensive income for the year		-	-	-
<b>Balance at 31 March 2023</b>		218,002	-	218,002

The notes on pages 10 to 12 form part of these financial statements.

# **CUMNOCK SPV HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2023**

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#### **1 Accounting policies**

##### **Company information**

Cumnock SPV Holdings Limited is a private company limited by shares incorporated in Scotland. The registered office is:

Avondale House  
Suites 1L - 10 Phoenix Crescent  
Strathclyde Business Park  
Bellshill  
North Lanarkshire  
ML4 3NJ

The company number is SC193622.

#### **1.1 Accounting convention**

##### **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A 'Small Entities' of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities) and the Companies Act 2006.

These financial statements are for the 12 months ended 31 March 2023. The previous financial statements were for the 15 months ended 31 March 2022.

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 £.

The preparation of the financial statements in compliance with FRS 102 - Section 1A requires the use of certain accounting estimates. It also requires management to exercise judgement in applying the companies accounting policies (see note 2).

The following principal accounting policies have been applied:

#### **1.2 Going concern**

The Company will continue to hold the investment in its subsidiary and thus the Company's financial statements are prepared on a going concern basis.

#### **1.3 Consolidation**

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### **1.4 Valuation of investments**

The investment in the subsidiary is measured at cost. The carrying value of the investment is reviewed annually by the Directors for impairment.

#### **2 Judgements and key sources of estimation uncertainty**

The directors are satisfied that accounting policies are appropriate and applied consistently. There are no accounting estimates.

# CUMNOCK SPV HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 3 Employees

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

	2023 Number	2022 Number
Total	-	-

None of the Directors have any retirement benefits or other remuneration accruing to them under pension schemes (2022 - none).

During the year, no Director received any emoluments (2022 - none).

### 4 Taxation

There was no tax arising during the year ended 31 March 2023 (2022 - £NIL).

### 5 Dividends

	2023 £	2022 £
Interim paid	-	975,000

The dividend payable was £0.00 (2022: £4.47) per share.

### 6 Fixed asset investments

	2023 £	2022 £
Shares in group undertakings and participating interests	218,002	218,002

The investment comprises a 100% shareholding in Cumnock SPV Limited, a company incorporated and registered in Scotland. The registered office of Cumnock SPV Limited is Avondale House, Suites 1L - 1O Phoenix Crescent, Strathclyde Business Park, Bellshill, North Lanarkshire, ML4 3NJ. The investment comprises 218,002 ordinary shares of £1.

Cumnock SPV Limited has been set up for the sole purpose of providing, under a Private Finance Initiative ("PFI") agreement, the construction and maintenance of East Ayrshire Community Hospital.

The aggregate of the share capital and reserves as at 31 March 2023 and of the profit for the period ended on that date for the subsidiary undertakings were as follows:

- Aggregate of the share capital and reserves: **£812,116**
- Profit: **£183,896**

**CUMNOCK SPV HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2023****7 Called up share capital**

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
Ordinary share capital Issued and fully paid of £1 each	218,002	218,002	218,002	218,002

**8 Parent company**

100% of the share capital of Cumnock SPV Holdings Limited is owned by the Ayrshire and Arran Health Board. They are considered the ultimate controlling party.