

Yorkshire Parkcare Company Limited
Annual report and financial statements
for the year ended 31 December 2011

Registered number: 1915148



Yorkshire Parkcare Company Limited

Annual report and financial statements

for the year ended 31 December 2011

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Directors' report for the year ended 31 December 2011

The directors present their report and the audited financial statements of the company for the year ended 31 December 2011

Principal activities

The principal activity of the company continues to be care delivery

Business review

The results for the year are set out in the Profit and loss account on page 6 and the position of the company as at the year end is set out in the Balance sheet on page 8

The company is focussed on the healthcare sector and the performance of the company can be impacted by external factors. The principal factors are changes in the UK government's policy towards outsourcing of healthcare, changes in the regulatory regime and competitive threats from other independent providers. Management uses a range of financial and non-financial indicators to manage the business. These are derived from all areas of the business and include sales growth by unit, occupancy and profit margins achieved. Operating profit margins have decreased from (33.9)% in 2010 to (41.6)% in 2011.

On 14 April 2011, the entire share capital of Craegmoor Group Limited, the company's former ultimate parent company, was acquired by Priory Group No. 1 Limited. Subsequently the shares of Craegmoor Group Limited were transferred to Priory Investments Holdings Limited, a subsidiary undertaking of Priory Group No. 1 Limited.

The land and buildings were valued by external valuers Knight Frank as part of the acquisition. These valuations have been reflected in the company accounts on the basis of existing value in use.

A group reorganisation was performed as at 31 December 2011 resulting in land and buildings and their associated fixtures and fittings being transferred between group companies at their market value. The purpose of the reorganisation was to rationalise the operating divisions between the group companies.

Further information regarding the operations and key performance indicators of the group are set out in the Directors' report of Priory Group No. 1 Limited.

The company's management is committed to a continued growth strategy.

Key performance indicators

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business. The development, performance and position of Priory Group No. 1 Limited, which includes the company, is discussed in the group's annual report which does not form part of this report.

Financial risk management

The company's operations mean that it is exposed to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The directors monitor the risks in order to limit the adverse effects on the financial performance by reviewing levels of debt finance and the related finance costs, however these are integrated with the risks of the group and not managed separately. Accordingly, the financial risk management policies of Priory Group No. 1 Limited, which include those of the company, are discussed in the group's annual report which does not form part of this report.

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Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of Priory Group No 1 Limited, which include those of the company, are discussed in the Group's annual report which does not form part of this report.

Dividends

The directors do not recommend the payment of a dividend (2010 £nil)

Directors

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

Ted Smith	(Resigned 14 April 2011)
Christine Cameron	(Resigned 14 April 2011)
David Manson	(Resigned 30 April 2011)
Julian Ball	(Resigned 14 April 2011)
Avril Evans	(Resigned 31 July 2011)
Melanie Ramsey	(Resigned 31 July 2011)
Philip Scott	(Appointed 14 April 2011)
Jason Lock	(Appointed 14 April 2011)
Matthew Franzidis	(Appointed 14 April 2011)
Christopher Thompson	(Appointed 26 July 2011)

Changes in tangible assets

The movements in tangible assets during the year are set out in note 6 to the financial statements. The directors believe there is no significant difference between the market value and the balance sheet value of land.

Employees

The directors recognise that the continued position of the company in the healthcare sector depends on the quality and motivation of its employees and as such the company is committed to pursue employment policies, which will continue to attract, retain and motivate its employees.

Good and effective employee communications are particularly important, and throughout the business it is the directors' policy to promote the understanding by all employees of the company's business aims and performance. This is achieved through internal publications, presentations on performance and a variety of other approaches appropriate for a particular location. Employees are consulted on issues through workshops, which are run regularly across the Group.

The directors believe that it is important to recruit and retain capable and caring staff regardless of their sex, marital status, race or religion. It is the company's policy to give full and fair consideration to applications for employment from people who are disabled, to continue wherever possible the employment of and to arrange appropriate training for, employees who become disabled and to provide equal opportunities for the career development, training and promotion of disabled employees.

Independent auditors

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

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Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Statement of directors' responsibilities


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 the directors have prepared 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

By order of the board



David Hall
Company Secretary
6 September 2012

21 Exhibition House
Addison Bridge Place
London
W14 8XP

Yorkshire Parkcare Company Limited

Independent auditors' report to the members of Yorkshire Parkcare Company Limited

We have audited the financial statements of Yorkshire Parkcare Company Limited for the year ended 31 December 2011 which comprise the Profit and loss account, the Statement of total recognised gains and losses, the Note of historical cost profit and losses, the Balance sheet, the Statement of accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Yorkshire Parkcare Company Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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



Richard Bunter (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
6 September 2012

Yorkshire Parkcare Company Limited

Profit and loss account for the year ended 31 December 2011

	Note	2011 £'000	2010 £'000
Turnover	1	2,421	2,858
Administrative expenses (including exceptional operating costs of £716,000, 2010 £620,000)		(3,429)	(3,827)
Operating loss		(1,008)	(969)
Loss on ordinary activities before tax	2	(1,008)	(969)
Tax on loss on ordinary activities	5	153	27
Loss for the financial year	12	(855)	(942)

The results for the current and prior year derive from continuing activities

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Statement of total recognised gains and losses for the year ended 31 December 2011

	Note	2011 £'000	2010 £'000
Loss for the financial year		(855)	(942)
Reversal of prior years' revaluations on impaired properties	6	(194)	(282)
Total recognised gains and losses for the year		(1,049)	(1,224)

Note of historical cost profits and losses for the year ended 31 December 2011

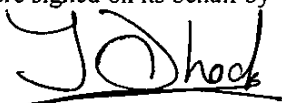
	2011 £'000	2010 £'000
Reported loss on ordinary activities before taxation	(1,008)	(969)
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	-	7
Historical cost loss for the year before taxation	(1,008)	(962)
Historical cost loss for the financial year	(855)	(935)

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Balance sheet as at 31 December 2011

	Note	2011 £'000	2010 £'000
Fixed assets			
Tangible assets	6	1,478	4,410
Current assets			
Debtors	7	1,748	752
Assets held for resale	8	907	-
Cash at bank and in hand		2	-
		2,657	752
Creditors: amounts falling due within one year	9	(22)	-
Net current assets		2,635	752
Total assets less current liabilities		4,113	5,162
Creditors: amounts falling due after more than one year	10	(3,063)	(3,063)
Net assets		1,050	2,099
Capital and reserves			
Called up share capital	11	91	91
Share premium account	12	10	10
Revaluation reserve	12	-	2,358
Profit and loss account	12	873	(436)
Other reserves	12	76	76
Total shareholders' funds	13	1,050	2,099

The financial statements on pages 6 to 19 were approved by the board of directors on 6 September 2012 and were signed on its behalf by



Jason Lock
Director

Registered number 1915148

Yorkshire Parkcare Company Limited

Statement of accounting policies

The following accounting policies have been applied consistently in the company's financial statements

Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with applicable UK accounting standards and UK company law and under the historical convention, as modified by the revaluation of certain tangible assets

The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements on the grounds that it is included in the consolidated financial statements of a parent undertaking. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 'Cash flow statements' (revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own publicly available consolidated financial statements.

As the company is a wholly owned subsidiary of Priory Group No 1 Limited, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 'Related party disclosures' and has therefore not disclosed transactions or balances with entities which form part of the group.

Tangible assets

The cost of tangible assets is their purchase cost, and any costs directly attributable to bringing them into working condition for their intended use. Land and buildings are revalued by independent, professionally qualified valuers at least every five years. These valuations are carried out on an existing use, open market value basis, and in the intervening years are updated by the directors with the assistance of independent professional advice as required.

Increases in the revalued amounts of land and buildings are credited to revaluation reserves.

Freehold land is not depreciated. Subsequent to a revaluation, depreciation is based on revalued amounts. Depreciation on tangible assets, other than land, is calculated to write off their cost, less estimated residual values, by equal annual instalments on the following bases:

Freehold buildings	- over 50 years
Furniture and fittings	- over 3, 5 or 10 years

Provision is made for any impairment in the period in which it arises. The impairment is calculated by comparing the carrying value to the recoverable amount as required by FRS 11, 'Impairment of fixed assets and goodwill'. The recoverable amount of land and buildings is taken to be the higher of realisable value and value in use. Value in use is determined by reference to the expected future cash flows of the care home, discounted at a risk weighted cost of capital determined from time to time based on the capital structure of the group. Realisable value is determined by independent, professional valuers on an existing use, open market value basis.

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Provisions for impairment in the carrying value of land and buildings are charged against revaluation reserves in the balance sheet to the extent that they relate to a reversal of prior increases. Impairments to below historical cost are charged to the profit and loss account. Reversals of previous impairments are credited to the profit and loss account to the extent that they return the asset carrying value to its depreciated historical cost, with any amount over and above that being credited to the revaluation reserve.

Deferred taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured in a non-discounted basis.

Group relief

Payment is generally made for group relief at the current tax rate at the time of first estimating the tax provision. To the extent that amendments are subsequently made to the group relief plan, there is generally no payment or receipt in respect of the change.

Turnover and revenue recognition

Turnover represents the amounts (excluding value added tax) derived from the provision of services to customers. Revenue is recognised as the services are provided. Revenue invoiced in advance is included in deferred income until service is provided. Revenue in respect of services provided but not yet invoiced by the period end is included within accrued income.

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Notes to the financial statements for the year ended 31 December 2011

1 Turnover and loss on ordinary activities before taxation

The company's turnover, loss on ordinary activities before taxation and net assets arise primarily from its principal activity of care delivery

All turnover and loss on ordinary activities before taxation arose within the United Kingdom and from one class of business

2 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging

	2011	2010
	£'000	£'000
Depreciation of tangible assets	75	161
Profit on disposal on transfer to fellow group companies	11	-
Operating exceptional items		
Loss on revaluation of properties	716	-
Re-organisation and rationalisation costs	-	620
Management charges from fellow subsidiary	2,626	3,046

The re-organisation and rationalisation costs of £620,000 incurred in the prior year primarily relate to employee redundancy payments made as the company re-organised and streamlined its operations

The management charges from fellow subsidiary undertakings, Craegmoor Facilities Company Limited and Craegmoor Healthcare Company Limited, relate to an allocation of operating costs incurred on behalf of the company and its fellow subsidiaries

The remuneration of the auditors of £1,000 (2010 £1,500) was borne by another group undertaking

3 Remuneration of directors

The costs relating to the directors' services have been borne by Craegmoor Facilities Company Limited, up to 14 April 2011, and by Priory Central Services Limited since the acquisition of the Craegmoor group by the Priory group on 14 April 2011. No amounts have been recharged to the company in respect of the directors' services and the directors do not believe that it is practical to allocate these costs between group companies

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4 Staff numbers and costs

The average number of persons that carried out work in connection with the company's operations (including directors) during the year (these persons are employed by a fellow subsidiary company) were

	2011	2010
	Number	Number
Analysis by activity		
Nursing	101	112
Ancillary	31	37
Administrative	8	14
	140	163

Staff costs (for the above persons)

	2011	2010
	£'000	£'000
Management charges in lieu of staff costs	1,764	2,018

5 Tax on loss on ordinary activities

	2011	2010
	£'000	£'000
UK corporation tax		
Group relief receivable	(125)	-
Total current tax	(125)	-
Deferred tax		
Origination and reversal of timing differences	(28)	(27)
Total deferred tax	(28)	(27)
Total tax credit	(153)	(27)

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5 Tax on loss on ordinary activities (continued)

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 26.49% (2010: 28%)
The actual tax charge for the year is higher (2010: higher) than the standard rate for the reasons set out in the following reconciliation

	2011 £'000	2010 £'000
Loss on ordinary activities before tax	(1,008)	(969)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26.49% (2010: 28%)	(267)	(271)
Effects of		
Expenses not deductible for tax purposes	201	185
Capital allowances for the year less than depreciation	3	23
Transfer pricing adjustments	(62)	(37)
Group relief received not paid for	-	100
Total current tax credit for the year	(125)	-

The standard rate of corporation tax in the UK changed from 28% to 26% with effect from 1 April 2011. A further reduction in this corporation tax rate effective on 1 April 2012 from 26% to 25% was substantively enacted for the purposes of FRS 19 on 5 July 2011. Accordingly, the Company's profits for this accounting period are taxed at an effective rate of 26.49% and deferred taxation has been calculated based on a rate of 25%.

In addition to the changes in rates of corporation tax disclosed above a number of further changes to the UK corporation tax system were announced in the March 2012 UK Budget Statement. Changes to the corporation tax rate on 1 April 2012, substantively enacted for the purposes of FRS 19 on 26 March 2012, will reduce to 24%, a 1% reduction from the rate substantively enacted on 5 July 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 22% by 1 April 2014. These further changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

The proposed reductions of the main rate of corporation tax by 1% per year to 22% by 1 April 2014 are expected to be enacted separately each year. The overall effect of the further changes from 25% to 22%, if these applied to the deferred tax balance at the balance sheet date, would be immaterial.

No provision has been made for deferred taxation on gains recognised on revaluing property to its market value. Such tax would become payable only if the property was sold without it being possible to claim rollover relief or utilise available losses. The total amount unprovided for at 25% is £1,000 (2010: £637,000 at 27%).

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6 Tangible assets

	Freehold land and buildings £'000	Furniture and fittings £'000	Total £'000
Cost or valuation			
At 1 January 2011	5,208	1,713	6,921
Additions	-	81	81
Loss on revaluation	(194)	-	(194)
Transfers to group companies	(1,182)	(400)	(1,582)
Transfers to current assets (note 8)	(2,357)	(816)	(3,173)
At 31 December 2011	1,475	578	2,053
Accumulated depreciation			
At 1 January 2011	1,428	1,083	2,511
Charge for the year	37	38	75
Transfers to group companies	(154)	(307)	(461)
Loss on revaluation	716	-	716
Transfers to current assets (note 8)	(1,828)	(438)	(2,266)
At 31 December 2011	199	376	575
Net book amount			
At 31 December 2011	1,276	202	1,478
At 31 December 2010	3,780	630	4,410

The Craegmoor group was acquired by the Priory group on 14 April 2011. On this date the land and buildings were valued by external valuers Knight Frank on the basis of existing value in use in accordance with the appraisal and valuation manual of the Royal Institution of Chartered Surveyors.

In accordance with accounting requirements the entire portfolio will be re-valued every five years, the next valuation being 14 April 2016, together with interim valuations every three years.

On 31 December 2011 certain tangible assets were transferred to a fellow group undertaking at market value.

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6 Tangible assets (continued)

The impact of these valuation techniques can be summarised as follows

	2011	2010
	£'000	£'000
Loss on revaluation		
Charged to the revaluation reserve	194	282
Charged to profit and loss account	716	620
	910	902
Included in the statement of total recognised gains and losses	194	282
Included in the profit and loss account	716	620
	910	902

If land and buildings (including those held for resale (note 8)) had not been revalued they would have been included at the following amounts

	2011	2010
	£'000	£'000
Cost	2,835	3,037
Aggregate depreciation	(575)	(593)
Net book value	2,260	2,444

7 Debtors

	2011	2010
	£'000	£'000
Amounts falling due within one year		
Trade debtors	76	-
Group relief recoverable	125	-
Amounts owed by group undertakings	1,518	752
Deferred tax asset	28	-
Prepayments and accrued income	1	-
	1,748	752

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7 Debtors (continued)

	£'000
Deferred tax	
As at 1 January 2011	-
Credit for the year	28
As at 31 December 2011	28

An analysis of deferred tax assets, included within debtors, is as follows

	2011	2010
	£'000	£'000
Accelerated capital allowances	28	-

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand

8 Assets held for resale

	Freehold land and buildings £'000	Furniture and fittings £'000	Total £'000
Cost or valuation			
At 1 January 2011	-	-	-
Transfer from tangible assets (note 6)	2,357	816	3,173
At 31 December 2011	2,357	816	3,173
Impairment			
At 1 January 2011	-	-	-
Transfer from tangible assets (note 6)	1,828	438	2,266
At 31 December 2011	1,828	438	2,266
Net book amount			
At 31 December 2011	529	378	907
At 31 December 2010	-	-	-

Assets held for resale relates to one property which is being actively marketed for sale

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9 Creditors: Amounts falling due within one year

	2011	2010
	£'000	£'000
Other creditors	5	-
Accruals and deferred income	17	-
	22	-

10 Creditors: amounts falling due after more than one year

	2011	2010
	£'000	£'000
Amounts owed to group undertakings	3,063	3,063

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. However, the relevant group undertaking has confirmed to the directors of the company that it will not seek repayment of this loan within twelve months after the year end.

11 Called up share capital

	2011	2010
	£'000	£'000
Authorised		
5,000,000 (2010: 5,000,000) ordinary shares of 10p each	500	500
Issued and fully paid		
911,755 (2010: 911,755) ordinary shares of 10p each	91	91

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12 Reserves

	Share premium account £'000	Revaluation reserve £'000	Profit and loss account £'000	Other reserves £'000
At 1 January 2011	10	2,358	(436)	76
Loss for the financial year	-	-	(855)	-
Transfer between reserves – group reorganisation	-	(1,000)	1,000	-
Reversal of prior years' revaluations on impaired properties	-	(194)	-	-
Transfer between reserves - depreciation	-	(1,164)	1,164	-
At 31 December 2011	10	-	873	76

On 31 December 2011 certain revalued fixed assets were transferred to a fellow group undertaking. Accordingly, the balance on the revaluation reserve in respect of these properties of £1,000,000 was transferred to the profit and loss reserve, however this gain is not distributable.

Transfer between reserves of £1,164,000 relates to the difference between historic cost and revalued depreciation.

13 Reconciliation of movements in shareholders' funds

	2011 £'000	2010 £'000
Loss for the financial year	(855)	(942)
Reversal of prior years' revaluations on impaired properties	(194)	(282)
Net increase to shareholders' deficit	(1,049)	(1,224)
Opening shareholders' deficit	2,099	3,323
Closing shareholders' funds	1,050	2,099

14 Contingent liabilities

At 31 December 2011, borrowings of a fellow group undertaking were secured by fixed and floating charges over all the assets of the company.

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15 Commitments

Capital commitments at the end of the financial year, for which no provision has been made, are as follows

	2011	2010
	£'000	£'000
Contracted	37	-

16 Ultimate parent company and controlling party

The company's immediate parent company, which is incorporated in England, is Craegmoor Older People Care (Holdings) Limited

The ultimate parent undertaking and controlling party is Priory Group No 1 Limited, a company incorporated in England. Priory Group No 1 Limited is beneficially owned by funds managed by Advent International Corporation which is considered by the directors to be the ultimate controlling party of the company.

Priory Group No 1 Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2011. Priory Group No 3 PLC is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 31 December 2011. The consolidated financial statements of Priory Group No 1 Limited and Priory Group No 3 PLC can be obtained from the Company Secretary at 21 Exhibition House, Addison Bridge Place, London, W14 8XP.