

**BUPA INVESTMENTS OVERSEAS LIMITED**

**(Registered number 2993390)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED**

**31 DECEMBER 2013**

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COMPANIES HOUSE

**Registered office:**

Bupa House  
15-19 Bloomsbury Way  
London  
WC1A 2BA

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## **Strategic Report**

### **for the year ended 31 December 2013**

The Directors consider the performance of Bupa Investments Overseas Limited (the Company) during the year to be satisfactory

#### **Results**

The results for the Company show a profit before taxation of £273.0m (2012 £327.6m). The Company has net assets of £4,050.7m (2012 £3,785.9m).

Profit before taxation decreased by £54.6m. The decrease is mainly due to lower dividend income from shares in Group undertakings of £312.4m (2012 £901.4m) coupled with adverse foreign exchange movements of £74.8m loss (2012 £11.6m gain). Foreign exchange losses have mainly arisen on Australian Dollar denominated loans to Group undertakings which was driven by the strengthening of the British Pound against the Australian Dollar.

The decrease in profit is offset by a decrease in the current year on adjustments to provisions against investments in subsidiary undertakings amounting to £1.1m (2012 £578.7m) and higher interest receivable from Group undertakings of £39.3m (2012 £16.6m).

Net assets have increased by £264.8m. In 2013, the company acquired a 49% investment in an associate undertaking, Highway to Health, Inc., of £155.3m. During the year a 100% shareholding of £131.2m was acquired in Bupa Holdings Overseas Cooperatief B.A. and further capital injections, of £86.0m and £19.5m, were made in Bupa Asia Pacific Pty Limited and Bupa Insurance Company respectively. A net decrease of £268.0m in loans to Group undertakings and £135.1m decrease in amounts owed to Group undertakings was seen during the year.

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

The Company's management and its strategy are subject to a number of uncertainties and risks. These risks and uncertainties include interest rate and foreign exchange rate fluctuations driven by the external investment market and the uncertainty of timing of cash generation within the other Group companies. Management believe that these risks and uncertainties are managed effectively where possible and are reviewed on a regular basis in line with Bupa Group policies.

Details of Bupa Group's business risks and risk management processes are set out in the ultimate parent company's annual report. Bupa Group consists of The British United Provident Association Limited (Bupa) and its subsidiaries and holding companies or subsidiaries of such holding companies. No formal KPIs are used or monitored, however the Directors recognise the role of the Company and thus monitor performance with respect to the solvency of the Company, the underlying performance of the investments and therefore the valuation of the investments in the balance sheet.

Registered office

Bupa House  
15-19 Bloomsbury Way  
London  
WC1A 2BA

12 March 2014

**By Order of the Board**



**C A Richardson**  
Director

## **Directors' Report**

### **for the year ended 31 December 2013**

The Directors present their annual report and the financial statements of the Company for the year ended 31 December 2013

#### **Principal activities**

The principal activity of the Company for the year was that of an investment holding and intercompany funding company

#### **Dividends**

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2013 (2012 £nil)

#### **Going concern**

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

#### **International Financial Reporting Standards**

The ultimate parent undertaking, British United Provident Association Limited (Bupa), has prepared group accounts in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Company is not required to report under IFRS and therefore these accounts are prepared in accordance with applicable UK accounting standards

#### **Directors**

The Directors who served during the year and subsequently were as follows

G M Evans  
N T Beazley (died 19 May 2013)  
S M Los  
M A Merchant  
C A Richardson

#### **Companies (Audit, Investigations and Community Enterprise) Act 2004**

As at the date of this report, indemnities are in force under which the Company has agreed to indemnify the Directors, to the extent permitted by law and the Company's Articles of Association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company

#### **Political contributions**

The Company made no political donations nor incurred any political expenditure during the year (2012 £nil)

## **Directors' Report**

**for the year ended 31 December 2013**

### **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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006

### **Auditors**

Our auditor, KPMG Audit Plc has instigated an orderly wind down of business. The Board has decided to put KPMG LLP forward to be appointed as auditor and a resolution concerning their appointment will be proposed to the shareholders of the Company

Registered office

**By Order of the Board**

Bupa House  
15-19 Bloomsbury Way  
London  
WC1A 2BA



12 March 2014

**C A Richardson**  
**Director**

## **Directors' Responsibilities Statement**

### **for the year ended 31 December 2013**

The directors are responsible for preparing the Strategic Report, 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 (UK Generally Accepted Accounting Practice) 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 and 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 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 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 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.

## **Independent auditor's report to the members of Bupa Investments Overseas Limited**

We have audited the financial statements of Bupa Investments Overseas Limited for the year ended 31 December 2013 set out on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with UK 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**

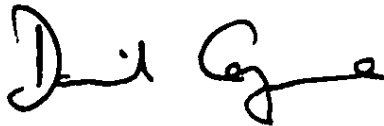
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditor's report to the members of Bupa Investments Overseas Limited (continued)**

### **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



**Daniel Cazeaux (Senior Statutory Auditor)**  
**for and on behalf of KPMG Audit Plc, Statutory Auditor**

Chartered Accountants

15 Canada Square  
London  
E14 5GL

12 March 2014



## Profit and loss account for the year ended 31 December 2013

	Note	2013 £	2012 £
Income from investment activities	3	353,500,368	886,205,524
Interest payable and similar charges	4	(77,650,374)	21,075,844
Administrative expenses		(2,400)	(1,613)
<b>Operating profit</b>		<b>275,847,594</b>	<b>907,279,755</b>
Disposal of investments in Group companies	6	(1,753,707)	(1,062,753)
Provision for impairments against investments in subsidiaries	7	(1,141,907)	(578,654,010)
<b>Profit on ordinary activities before taxation</b>		<b>272,951,980</b>	<b>327,562,992</b>
Tax on profit on ordinary activities	8	(8,152,802)	(31,810,505)
<b>Profit for the year</b>		<b>264,799,178</b>	<b>295,752,487</b>

The operating profit is all derived from continuing operations

There were no recognised gains and losses other than the profit for the financial year

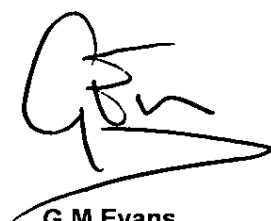
There were no material differences between reported profit and losses and historical profit and losses on ordinary activities before and after taxation

## Balance sheet

as at 31 December 2013

	Note	2013 £	2012 £
<b>Fixed assets</b>			
Investments	9	4,541,021,274	4,427,273,116
		<b>4,541,021,274</b>	<b>4,427,273,116</b>
<b>Current assets</b>			
Debtors			
- due within one year	10	48,606	250,843
Cash at bank and in hand		391,956	1,043,332
		<b>440,562</b>	<b>1,294,175</b>
<b>Creditors amounts falling due within one year</b>	11	<b>(36,569,841)</b>	<b>(46,199,292)</b>
<b>Net current liabilities</b>		<b>(36,129,279)</b>	<b>(44,905,117)</b>
<b>Total assets less current liabilities</b>		<b>4,504,891,995</b>	<b>4,382,367,999</b>
<b>Creditors amounts falling due after more than one year</b>	12	<b>(454,199,031)</b>	<b>(596,474,213)</b>
<b>Net assets</b>		<b>4,050,692,964</b>	<b>3,785,893,786</b>
<b>Shareholder's funds</b>			
Called up share capital	13	2,411,122,524	2,411,122,524
Foreign currency translation reserve	14	3,688,221	3,688,221
Profit and loss account	14	1,635,882,219	1,371,083,041
<b>Shareholder's funds</b>		<b>4,050,692,964</b>	<b>3,785,893,786</b>

These financial statements were approved by the Board of Directors on 12 March 2014  
and were signed on its behalf by



G M Evans  
Director

Registered number: 2993390

The accounting policies and notes on pages 10 to 18 form part of these financial statements

## Reconciliation of movement in shareholder's funds for the year ended 31 December 2013

	2013 £	2012 £
<b>Profit for the year</b>	<b>264,799,178</b>	<b>295,752,487</b>
<b>Net increase in shareholder's funds</b>	<b>264,799,178</b>	<b>295,752,487</b>
Opening shareholder's funds	3,785,893,786	3,490,141,299
<b>Closing shareholder's funds</b>	<b>4,050,692,964</b>	<b>3,785,893,786</b>

The accounting policies and notes on pages 10 to 18 form part of these financial statements

## **Accounting policies**

### **for the year ended 31 December 2013**

The principal accounting policies are summarised below. They have been applied consistently throughout the year.

#### **(a) Basis of preparation**

The financial statements have been prepared on a going concern basis and under the historical cost convention, in accordance with applicable UK accounting standards.

#### **(b) Exemption from consolidation**

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group.

#### **(c) Related party transactions**

As the Company is a wholly owned subsidiary of Bupa, the Company has taken advantage of the exemption contained in Financial Reporting Standard (FRS) 8 Related Party Disclosures and has therefore not disclosed transactions or balances with entities which form part of the Bupa Group. The consolidated financial statements of Bupa, within which this Company is included, can be obtained from the address given in note 1.

#### **(d) Cash flow statement**

Under FRS 1 Cash Flow Statements (revised 1996) the Company is exempt from the requirement to prepare a cash flow statement on the grounds it is a wholly owned subsidiary undertaking of Bupa, a company that prepares a consolidated cash flow statement for the Bupa Group.

#### **(e) Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract.

Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### **(f) Investment income**

Dividends on equity investments are included, gross of any related tax, in the profit and loss account on a cash basis which is not materially different from an ex-dividend basis; other investment income is recognised on an accruals basis.

## **Accounting policies (continued)**

### **for the year ended 31 December 2013**

#### **(g) Investments**

Investments in subsidiary undertakings are stated at cost less any provision for impairment

Intercompany loan investments are initially recognised at fair value and are subsequently recognised at amortised cost using the effective interest rate method less any provision for impairment

A provision for impairment is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's net realisable value and value in use. Impairment losses are recognised in the profit and loss account.

For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units).

The carrying amounts of assets are reviewed at least annually. Where there is an indication that an impairment loss has decreased, any accumulated provision for impairment is reversed to reflect the carrying amount at the recoverable amount limited to the cost of the investment.

#### **(h) Interest bearing borrowings**

Immediately after issue, debt is stated at fair value of the consideration received after deduction of issue costs. The finance cost of the debt is allocated to periods over the term of the debt at a constant rate on the carrying amount.

#### **(i) Cash and liquid resources**

Cash comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

#### **(j) Financial investments**

FRS 25 (Financial instruments: presentation) and FRS 26 (Financial instruments: recognition and measurement) have been applied as noted below.

As the Company is a wholly owned subsidiary undertaking of Bupa, a company that prepares consolidated accounts that apply IFRS 7 (Financial Instruments: Disclosures), the Company is, pursuant to paragraph 2D of FRS 29 (Financial Instruments: Disclosures), exempt from producing the disclosures set out in the standard.

#### **Non-derivative financial instruments**

Non-derivative financial instruments comprise cash and cash equivalents and loans and borrowings. These financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

#### **Derivative financial instruments**

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the profit or loss account when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised immediately in the profit and loss account.

## **Accounting policies (continued)**

### **for the year ended 31 December 2013**

#### **(k) Taxation and deferred taxation**

The charge for taxation is based on the result for the year and takes into account deferred taxation

Deferred tax is provided in full on all timing differences that have originated, but not reversed, at the balance sheet date which result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

- Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associated undertakings and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable
- Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on current tax rates and laws

## Notes to the financial statements for the year ended 31 December 2013

### 1. Immediate and ultimate parent company

The immediate parent undertaking of the Company is Bupa Finance plc, a company incorporated in England and Wales

The ultimate parent undertaking of the Company, and the largest group into which these financial statements are consolidated, is The British United Provident Association Limited (Bupa), a company incorporated in England and Wales. The smallest group into which these financial statements are consolidated is that headed by Bupa Finance plc, a company incorporated in England and Wales

Copies of the accounts of both companies can be obtained from The Registrar of Companies, Cardiff, CF14 3UZ

### 2. Staff costs and Directors' remuneration

The Company had no employees during the year and consequently incurred no staff costs during the current or preceding year

The emoluments of the Directors are borne entirely by the other Group companies and are disclosed in the financial statements of those companies

### 3 Income from investment activities

	2013	2012
	£	£
Income from shares in Group undertakings	312,424,196	901,391,082
Interest receivable from Group undertakings	39,273,070	16,593,155
Income from shares in associate undertakings	1,803,099	-
Net foreign exchange gains/ losses	-	11,638,482
Other interest receivable	3	83
Write off of amounts owed to Group undertakings	-	264,105
Waiver of income from shares in Group undertakings	-	(43,681,383)
	<b>353,500,368</b>	<b>886,205,524</b>

### 4. Interest payable and similar charges

	2013	2012
	£	£
Net foreign exchange loss	74,774,644	-
Interest payable to Group undertakings	2,509,063	5,794,500
Other interest payable	366,412	3,876
Bank charges	255	19,657
Provision against amounts owed by Group undertakings	-	(26,893,877)
	<b>77,650,374</b>	<b>(21,075,844)</b>

## Notes to the financial statements (continued)

### for the year ended 31 December 2013

#### 5 Auditor's remuneration

	2013 £	2012 £
Fees payable to the Company's auditors for the audit of the Company's annual accounts	23,600	26,000

Fees for the audit of the Company represent the amount receivable by the Company's auditors. The amount may not be borne by the Company.

Fees paid to the Company's auditors, KPMG Audit plc, and its associates for services other than the statutory audit of the Company are not disclosed in these accounts since the consolidated accounts of Bupa, the ultimate parent undertaking, disclose non-audit fees on a consolidated basis.

#### 6 Disposal of investments in Group companies

	2013 £	2012 £
Batley Investments Sp z o o	3,133,877	-
Bupa Middle East Holdings W L L	(1,381,534)	-
Worldwide Medical Assistance S A de C V	1,360	-
Bupa US Holdings II, Inc	-	838,414
Amedex Insurance Company (Bermuda) Limited	-	224,337
Bupa Financial Investments Limited	2	-
Plainprime Limited	2	-
Bupa Finance (Jersey) Limited	-	2
	1,753,707	1,062,753

#### 7. Provision for impairments

	2013 £	2012 £
Bupa Guernsey No 2 Limited	(6,542,332)	-
Bupa Singapore Holdings Pte Ltd	4,866,593	-
Bupa US Holdings II, Inc	4,302,834	14,667,570
Bupa Egypt Insurance S A E	(1,485,188)	-
Bupa Europe Investments Limited	-	563,986,440
	1,141,907	578,654,010



## Notes to the financial statements (continued)

### for the year ended 31 December 2013

#### 8 Tax on profit on ordinary activities

##### (i) Analysis of tax charge in the year

	2013 £	2012 £
<b>Current tax</b>		
UK corporation tax on profits for the year	22,826,151	34,394,206
	<b>22,826,151</b>	<b>34,394,206</b>
Foreign tax on income for the year	13,546,574	21,553,009
	<b>36,372,725</b>	<b>55,947,215</b>
Adjustments in respect of prior periods		
- UK corporation tax	(29,794,816)	(24,136,710)
- Foreign tax	1,574,893	-
<b>Total current tax</b>	<b>8,152,802</b>	<b>31,810,505</b>
<b>Total tax on profit on ordinary activities</b>	<b>8,152,802</b>	<b>31,810,505</b>

##### (ii) Factors affecting the tax charge

The differences between the total current tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	2013 £	2012 £
<b>Profit on ordinary activities before taxation</b>	<b>272,951,980</b>	<b>327,562,992</b>
Tax on profit on ordinary activities at standard UK corporation tax rate of 23.25% (2012 24.5%)	63,451,988	80,243,983
Effects of		
Non taxable income	(78,546,272)	(149,056,226)
Expenses not deductible for tax purposes	35,136,453	102,100,936
Overseas rate differences	16,330,557	22,658,522
Adjustments to tax credit in respect of prior periods	(28,219,924)	(24,136,710)
<b>Total current tax charge for year</b>	<b>8,152,802</b>	<b>31,810,505</b>

## Notes to the financial statements (continued)

for the year ended 31 December 2013

### 9. Investments

	1 January 2013 £	Additions £	Disposals/ Repayments £	Provisions for impairment £	31 December 2013 £
<b>Group undertakings</b>					
Associated undertakings	24,215,060	155,349,511	-	-	179,564,571
Subsidiary undertakings	3,972,997,450	243,660,560	(16,093,390)	-	4,200,564,620
Loans to Group undertakings	1,315,543,316	667,298,929	(935,325,545)	-	1,047,516,700
	5,312,755,826	1,066,309,000	(951,418,935)	-	5,427,645,891
<b>Provisions for impairment</b>					
Subsidiary undertakings	(885,482,710)	-	-	(1,141,907)	(886,624,617)
	4,427,273,116	1,066,309,000	(951,418,935)	(1,141,907)	4,541,021,274

During the year the Company purchased 49% shares in associate undertaking, Highway to Health Inc, for £155.3m and a 100% shareholding was acquired in Bupa Holdings Overseas Cooperatief B A for £131.2m. Further, capital injections, of £86.0m and £19.5m, were made in Bupa Asia Pacific Pty Limited and Bupa Insurance Company (Florida) Limited respectively.

The Company is a limited partner in Bupa Holdings Limited Partnership, a partnership registered in Australia, and holds the B and C capital.

The principal undertakings of the Company as at 31 December 2013 are listed below, all of which are directly held by the Company.

	Holding (%)	Class of shares	Country of incorporation
Amedex Medical Group Dominicana S A	48	Ordinary	Dominican Rep
Amedex Services Ltd (St Kitts)	100	Capital Stock	St Kitts
Bupa Arabia for Cooperative Insurance	26.25	Ordinary	Saudi Arabia
Bupa Asia Pacific Pty Limited	100	Ordinary	Australia
Bupa Australia Healthcare Holdings Pty Limited	100	Ordinary	Australia
Bupa Dominicana S A	36	Ordinary	Dominican Rep
Bupa Egypt Insurance S A E	99.95	Ordinary	Egypt
Bupa Europe Investments Limited	100	Ordinary	United Kingdom
Bupa Finance (Jersey) Limited (In Liquidation)	100	Ordinary	Jersey
Bupa Guatemala, Compania de Seguros, S A	99	Ordinary	Guatemala
Bupa Guernsey No 2 Limited	99.99	Ordinary	United Kingdom
Bupa Health Care Asia Pte Ltd	100	Ordinary	Singapore
Bupa Holdings (Guernsey) Limited	100	Ordinary	Guernsey
Bupa Holdings Overseas Cooperatief B A	100	Ordinary	The Netherlands
Bupa Insurance Company	33.19	Ordinary	United States
Bupa LeaseCo Holdings Limited	100	Ordinary	Guernsey
Bupa Middle East Holdings Two W L L	50	Ordinary	Bahrain
Bupa Middle East Holdings W L L	50	Ordinary	Bahrain
Bupa Middle East Limited Company E C (In Liquidation)	50	Ordinary	Bahrain

## Notes to the financial statements (continued)

for the year ended 31 December 2013

9. Investments (continued)	Holding (%)	Class of shares	Country of incorporation
Bupa Singapore Holdings Pte Limited	100	Ordinary	Singapore
Bupa US Holdings II, Inc	100	Common Stock	United States
Grupo Bupa Sanitas Chile, S L U	100	Ordinary	Chile
Grupo Bupa Sanitas S L	100	Ordinary	Spain
Health Dialog UK	100	Ordinary	United States
Highway to Health, Inc	49	Ordinary	United States

### 10 Debtors

	2013 £	2012 £
Amounts falling due within one year		
Amounts owed by Group undertakings	48,606	250,843

### 11. Creditors – amounts falling due within one year

	2013 £	2012 £
Bank loans and overdrafts	1,153	755
Other creditors including taxation and social security	36,568,688	46,198,537
	36,569,841	46,199,292

### 12 Creditors – amounts falling due after more than one year

	2013 £	2012 £
Amounts owed to Group undertakings	92,011,418	227,061,579
Shares classified as liabilities (note 13)	362,187,613	369,412,634
	454,199,031	596,474,213

### 13. Called up share capital

Allotted, called up and fully paid	2013 £	2012 £
1,247,826,680 ordinary shares of £1 each	1,247,826,680	1,247,826,680
2,410,000,000 ordinary shares of AUD1 each	1,163,295,844	1,163,295,844
600,000,000 redeemable preference shares of USD1 each	362,187,613	369,412,634
	2,773,310,137	2,780,535,158
Shares classified as liabilities	362,187,613	369,412,634
Shares classified in shareholder's funds	2,411,122,524	2,411,122,524
	2,773,310,137	2,780,535,158

All ordinary shares rank pari passu in relation to their rights to income and return of capital on winding up

## Notes to the financial statements (continued) for the year ended 31 December 2013

### 13. Called up share capital (continued)

The redeemable preference shares rank *pari passu* with all ordinary shares in relation to their rights to income. On winding up of the Company, the redeemable preference shareholder has the right to receive, in preference to payment to ordinary shareholders, the repayment of the aggregate of a sum equal to the nominal capital paid up on the preference shares of that class held by them. The redeemable preference shareholder has the right to require the Company to redeem all or some of these shares which are outstanding at any time for an amount equal to the nominal amount of the redeemable preference shares and any declared but unpaid dividend.

### 14 Reserves

	Foreign currency translation reserve 2013	Profit and loss account 2013	Total 2013
	£	£	£
At beginning of year	3,688,221	1,371,083,041	1,374,771,262
Profit for the year	-	264,799,178	264,799,178
<b>At end of year</b>	<b>3,688,221</b>	<b>1,635,882,219</b>	<b>1,639,570,440</b>

The foreign currency translation reserve represents currency translation difference on foreign currency investments. Bupa Investments Limited loaned the Company AUD 276.4m in 2003. Attached to this loan was an embedded derivative with an option to repay the loan in GBP. The Company hedge accounted for its investment in Bupa Asia Pacific Pty Limited and hence the need for revaluation on its investment. The foreign exchange arising on the revaluation on loan and investment in subsidiary was taken to the foreign currency translation reserve.

### 15 Contingent liabilities, guarantees and other financial commitments

#### (i) Contingent liabilities

Under a Group registration the Company is jointly and severally liable for Value Added Tax due by certain other Bupa Group companies.

#### (ii) Guarantees

The Company was party to a £800 million revolving credit facility of which £150m was drawn as at 31 December 2013. The Company is jointly and severally liable for all obligations under the agreements.

At 31 December 2013, the Company was a party to a £800m revolving credit facility. The Company has joint and several liabilities for all obligations under the agreement.

The Company has also given a guarantee in respect of a £350m bond in issue by Bupa Finance plc for which the Company is jointly and severally liable.

### 16. Subsequent events

There were no subsequent events.