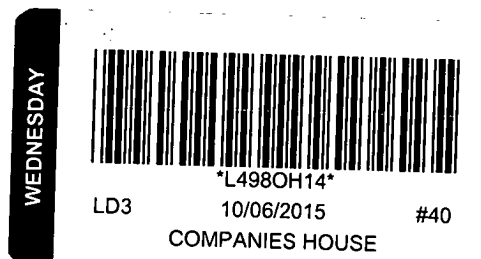


Company Registration Number 07289558

## **PHP Healthcare Investments (Holdings) Limited**

### **Annual Report and Financial Statements**

Year ended 31 December 2014



**PHP Healthcare Investments (Holdings) Limited**  
**Annual Report and Financial Statements**  
**Year ended 31 December 2014**

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**PHP Healthcare Investments (Holdings) Limited**  
**Officers and Professional Advisors**  
**Year ended 31 December 2014**

<b>Board of Directors</b>	P J Holland	
	H A Hyman	
	T D Walker-Arnott	
	M H Vaughan	resigned 30 April 2014
<b>Company Secretary</b>	Nexus Management Services Limited	appointed 30 April 2014
	J O Hambro Capital Management Limited	resigned 30 April 2014
<b>Registered Office</b>	5 <sup>th</sup> Floor Greener House 66-68 Haymarket London SW1Y 4RF	
<b>Auditor</b>	Deloitte LLP Chartered Accountants and Statutory Auditor 2 New Street Square London EC4A 3BZ	

**PHP Healthcare Investments (Holdings) Limited**  
**Strategic Report**  
**Year ended 31 December 2014**

The Directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

**Principal activities and business review**

The principal activity of PHP Healthcare Investments (Holdings) Limited (the "Company") during the year continued to be that of investment holding.

The Annual Report for the year ended 31 December 2014 of the Company's ultimate parent undertaking, Primary Health Properties PLC ("PHP"), contains a fair review of its business and that of its subsidiaries (the "Group") and an indication of future developments, as required by Section 417 of the Companies Act 2006. It is incorporated into this report by reference.

During the current and prior year the Company did not trade. As a holding company, property investments made by subsidiary undertakings that are funded by other companies within the Group will pass through the Company.

**Principal Risks and Uncertainties**

Details of the principal risks and uncertainties faced by the Company and the Group and their financial risk management objectives and policies are set out in the Annual Report of PHP, the ultimate parent undertaking.

This report was approved by the Board of Directors on 9 June 2015 and signed by its order:



.....  
**Philip Holland**  
**Director**

**PHP Healthcare Investments (Holdings) Limited**  
**Directors' Report**  
**Year ended 31 December 2014**

The Directors have pleasure in presenting their Annual Report and the audited financial statements of the Company for the year ended 31 December 2014. The Company is registered in England and Wales (company number 07289558).

Disclosures required by s416(4) which have been included in the Strategic Report on page 2 as required by s.414C(11) of the Companies Act 2006 include:

- Principal activity and business review; and
- Principal risks and uncertainties.

**Results and Dividends**

There was no profit or loss for the year ended 31 December 2014 (Unaudited 2013: £nil). The Directors have recommended that no dividend should be declared or paid for the year (Unaudited 2013: £nil).

**Going Concern**

Reference to the Company's continued adoption of the going concern basis in preparation of these financial statements is made in Note 1.2 on page 9.

**Directors' and Officers' Liability Insurance**

PHP has procured Directors' and Officers' Liability Insurance for the benefit of its Directors and Directors of all of its subsidiaries. Such insurance was available throughout the year and remains in force at the date of this report. The cost of Director's and Officer's Liability Insurance is met by another Group company.

**Directors**

The Directors who served the Company during the year, and to the date of this Report, were as follows:

P J Holland  
H A Hyman  
T D Walker-Arnott  
M H Vaughan

resigned on 30 April 2014

**Directors' Responsibilities Statement**

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 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 those 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 United Kingdom Accounting Standards have been followed, subject to any material departures 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.

**PHP Healthcare Investments (Holdings) Limited**  
**Directors' Report**  
**Year ended 31 December 2014**

**Directors' Responsibilities Statement (continued)**

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.

In so far as the Directors are aware:

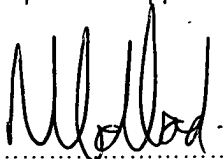
- there is no relevant audit information of which the Company's Auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

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

**Auditor**

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

This report was approved by the Board of Directors on 9 June 2015 and signed by its order:

A handwritten signature in black ink, appearing to read 'Philip Holland', written over a dotted line.

**Philip Holland**  
**Director**

**PHP Healthcare Investments (Holdings) Limited**  
**Independent Auditor's Report to the Members of PHP Healthcare Investments**  
**(Holdings) Limited**  
**Year ended 31 December 2014**

We have audited the financial statements of PHP Healthcare Investments (Holdings) Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. 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).

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, 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**

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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on the 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 2014 and of its result 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**PHP Healthcare Investments (Holdings) Limited**  
**Independent Auditor's Report to the Members of PHP Healthcare Investments**  
**(Holdings) Limited**  
**Year ended 31 December 2014**


**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.

**Other matter**

As the company was exempt from audit under section 480 of the Companies Act 2006 in the prior year we have not audited the corresponding amounts for that year.



**Claire Faulkner**  
**(Senior Statutory Auditor)**

**for and on behalf of Deloitte LLP,**  
**Chartered Accountants and Statutory Auditor**

London  
9 June 2015



**PHP Healthcare Investments (Holdings) Limited**  
**Profit and Loss Account**  
**Year ended 31 December 2014**


The Company has not traded in the current or prior year and subsequently no profit and loss account or statement of recognised gains and losses is presented.

The notes on pages 9 to 12 form part of these financial statements.

**PHP Healthcare Investments (Holdings) Limited**  
**Balance Sheet**  
**As at 31 December 2014**

	Notes	2014 £	2013 (unaudited) £
<b>Fixed assets</b>			
Investments in subsidiaries	6	2	2
<b>Current assets</b>			
Debtors	7	25,339	-
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	8	<u>(25,341)</u>	<u>(2)</u>
<b>Net current liabilities</b>		<u>(2)</u>	<u>(2)</u>
<b>Total assets less current liabilities</b>		<u>-</u>	<u>-</u>
<b>Net assets</b>		<u>-</u>	<u>-</u>
<b>Capital and reserves</b>			
Called up share capital	9	<u>-</u>	<u>-</u>
<b>Shareholder's funds</b>	10	<u>-</u>	<u>-</u>

These financial statements were approved by the Directors and authorised for issue on 9 June 2015, and are signed on their behalf by:



**Philip Holland**  
**Director**

Company registration number 07289558

The notes on pages 9 to 12 form part of these financial statements.

**PHP Healthcare Investments (Holdings) Limited**  
**Notes to the Financial Statements**  
**Year ended 31 December 2014**

**1. Accounting policies**

The following accounting policies have been applied consistently in the current and prior years.

The comparatives for the year ended 31 December 2013 are unaudited as the Company was exempt from audit under section 480 of the Companies Act 2006 in the prior year.

**1.1 Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The Company is itself a subsidiary Company and is exempt from the requirements to prepare group accounts by virtue of section 400 of Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group. The Company and its subsidiaries are consolidated into the financial statements of PHP, a company incorporated in England and Wales.

In November 2012, the FRC issued FRS 100, 'Application of financial reporting requirements'. FRS 100 provides direction as to the relevant standard for an entity between FRS 101, 'Reduced disclosure framework' and FRS 102, 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland'. The effective date for FRS 100, FRS 101 and FRS 102 is for accounting periods beginning on or after 1 January 2015. FRS 101 allows subsidiaries and parent entities to prepare their individual financial statements using the recognition and measurement requirements of IFRS, but with reduced disclosures. FRS 102 is a single coherent financial reporting standard that replaces old UK GAAP and is derived from the IFRS for SMEs modified to address company law requirements and incorporate additional accounting options.

The Company has elected to adopt FRS 101 for the period beginning on 1 January 2015.

**1.2 Going Concern**

After making enquiries of the ultimate parent undertaking the Directors have a reasonable expectation that the Company will continue to receive support as required from the ultimate parent undertaking and therefore has adequate resources to continue in operational existence for the foreseeable future.

As at 31 December 2014 the Company has net current liabilities of £2. Having reviewed the Company's current position 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.

**1.3 Cash flow statement**

The Directors have taken advantage of the exemption in FRS 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that a consolidated cash flow statement is presented in the group financial statements of PHP.

**1.4 Taxation**

Taxation on the profit or loss for the period not exempt under UK-REIT regulations comprises current and deferred tax. Taxation is recognised in the profit and loss account except to the extent that it relates to items recognised as direct movements in equity, in which case it is also recognised as a direct movement in equity.

Current tax is the expected tax payable on any non-REIT taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

**PHP Healthcare Investments (Holdings) Limited**  
**Notes to the Financial Statements**  
**Year ended 31 December 2014**

**2. Auditor's remuneration**

Auditor's remuneration for audit services for the current year was borne by PHP, the ultimate parent undertaking. The following amount is applicable to the audit of the Company:

		2014	2013
		£	(unaudited) £
Auditor's remuneration	- audit	<u>2,100</u>	<u>-</u>

**3. Particulars of employees**

The Company had no employees during the year (unaudited 2013: nil), other than the Directors.

**4. Directors' emoluments**

PHP procures the services of Directors to all of its subsidiary undertakings under an advisory agreement with Nexus TradeCo Limited, as disclosed in PHP's financial statements. It is not possible to identify the amounts payable under the agreement in respect of the services of the Company's Directors.

**5. Tax on profit on ordinary activities**

The Company has not traded for the current or prior year and as a result there was no profit or loss for the year ended 31 December 2014 (Unaudited 2013: £nil).

UK Corporation tax based on the results for the year at 21.5% (2013: 23.3%) is £nil (Unaudited 2013: £nil).

A reduction in the UK corporation tax rate from 23% to 21% was effective from 1 April 2014. Accordingly, these rates have been applied in the measurement of the Company's deferred tax liability as at 31 December 2014.

**PHP Healthcare Investments (Holdings) Limited**  
**Notes to the Financial Statements**  
**Year ended 31 December 2014**

**6. Investments in subsidiaries**

	2014 £	2013 (unaudited) £
<b>Valuation</b>		
As at 1 January and 31 December	<u>2</u>	<u>2</u>

The Company holds investments in the following Group companies:

	Share class held	%		Capital and reserves £	Profit for the year ended 31 December 2014 £
PHP Investments No.1 Limited	Ordinary	100	Audited	3,661,714	1,343,370
PHP Investments No.2 Limited	Ordinary	100	Audited	<u>13,121,500</u>	<u>3,473,909</u>

The above companies are registered in England and Wales and the principal activity was property investment for the year ended 31 December 2014.

The Directors have reviewed the value of the investment and do not consider there has been any impairment in its carrying value.

**7. Debtors**

	2014 £	2013 (unaudited) £
Amounts owed by Group undertakings	<u>25,339</u>	<u>-</u>

Amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

**8. Creditors: amounts falling due within one year**

	2014 £	2013 (unaudited) £
Amounts owed to Group undertakings	<u>25,341</u>	<u>2</u>

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand.

**9. Called up share capital**

	2014 £	2013 (unaudited) £
<b>Allotted and fully paid:</b>		
1 (2013: 1) ordinary share of £0.01	<u>-</u>	<u>-</u>

**PHP Healthcare Investments (Holdings) Limited**  
**Notes to the Financial Statements**  
**Year ended 31 December 2014**

**10. Reconciliation of movement in shareholder's funds**

	2014 £	2013 (unaudited) £
Opening and closing shareholder's funds	<u>-</u>	<u>-</u>

**11. Related party transactions**

The Company has taken advantage of the exemption available in FRS 8 not to disclose transactions with other members of the Group on the basis that 100% of voting rights are controlled within the Group. The consolidated financial statements in which the Company is included are publicly available.

**12. Ultimate parent undertaking and controlling party**

The immediate parent undertaking is PHP Healthcare (Holdings) Limited. The ultimate parent undertaking and the controlling party is PHP.

The parent undertaking of the smallest and largest group of undertakings for which Group financial statements are drawn up and of which the Company is a member is PHP. Copies of the financial statements of PHP can be obtained from the Registrar of Companies or the Company Secretary or downloaded from [www.phpgroup.co.uk](http://www.phpgroup.co.uk)