

Elysium Healthcare Property 6 Limited
(formerly Priory (Farmfield) Limited)
Annual report and financial statements
for the year ended 31 December 2016

Registered number: 07467929



Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Annual report and financial statements

for the year ended 31 December 2016

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Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Strategic report for the year ended 31 December 2016

The directors present their strategic report on Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited) for the year ended 31 December 2016.

Principal activities and review of business

The principal activity of the company is a property holding company. The company holds properties which are used by other group members.

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 7. The loss for the year arose primarily as a result of the loss on the sale and leaseback transaction. The directors have a letter of support from the group's parent company, Elysium Healthcare Holdings 1 Limited and so are satisfied that the going concern basis is appropriate.

On 16 February 2016 the company's then ultimate parent, Priory Group No. 1 Limited was acquired by the Acadia Healthcare group.

On 30 November 2016 100% of the issued share capital of the company's immediate parent, Elysium Healthcare No. 2 Limited (formerly Priory Secure Services Limited) was acquired by Elysium Healthcare Holdings 3 Limited.

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 Elysium Healthcare Holdings 2 Limited, which consolidates the results of the Company, is discussed in the group's financial statement which includes the company and 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 risk of the Elysium group and not management separately. Accordingly, the financial risk management policies of Elysium Healthcare Holdings 2 Limited, which include those of the Company, are discussed in the group strategic report which does not form part of this report.

Future developments

The future developments of the Company are aligned to the strategy of the Elysium Healthcare Holdings 2 Limited group. The group's strategy for the future development of the business is included in the group's financial statements, which do not form part of this report.

On behalf of the board



WHM Robson

Director

27 September 2017

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Directors' report for the year ended 31 December 2016

The directors present their report and the audited financial statements of the company for the year ended 31 December 2016.

This report should be read in conjunction with the strategic report which contains disclosures regarding future developments and financial risk management.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operation existence for the foreseeable future, including a letter of support from the group's parent company, Elysium Healthcare Holdings 1 Limited. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Dividends

The directors do not recommend the payment of a dividend (2015: £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:

J Chamberlain	(appointed 1 December 2016)
Q Haque	(appointed 1 December 2016)
M Robson	(appointed 7 August 2017)
D Hall	(resigned 30 November 2016)
T Riall	(resigned 30 November 2016)
M Moran	(resigned 1 March 2016)

Independent auditors

Deloitte LLP were appointed as auditors during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

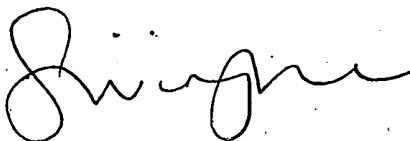
Provision of information to auditors

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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

This report was approved by the board on 27 September and signed on its behalf.



Sarah Livingston
Company Secretary

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Directors' responsibilities statement for the year ended 31 December 2016

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101).

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
- state whether applicable United Kingdom Accounting Standards, including FRS 101, 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 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.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Independent auditors' report to the members of Elysium Healthcare Property 6 Limited

We have audited the financial statements of Elysium Healthcare Property 6 Limited for the year ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 16. 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), including FRS 101 "Reduced Disclosure Framework".

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 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 2016 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, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Independent auditors' report to the members of Elysium Healthcare Property 6 Limited (continued)

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 any material misstatements in the Strategic Report and the Directors' Report.

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.



Matthew Ward, FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Reading, United Kingdom

29 September 2017

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Profit and loss account for the year ended 31 December 2016

	Note	2016 £'000	2015 £'000
Administrative expenses		(128)	(74)
Operating loss		(128)	(74)
Loss on disposal of investment property	4	(1,676)	-
Loss before interest and taxation		(1,804)	(74)
Interest receivable	5	6	-
Interest payable and similar expenses	6	(2)	-
Loss before taxation	2	(1,800)	(74)
Tax on loss	7	(28)	77
(Loss) / profit for the financial year		(1,828)	3

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

There is no other comprehensive income for the current or prior financial year. Therefore no statement of comprehensive income has been prepared.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Balance sheet as at 31 December 2016

	Note	2016 £'000	2015 £'000
Non-current assets			
Investment property	8	12,847	3,313
Debtors	9	4,622	-
Current assets			
Debtors	10	36	112
		36	112
Creditors: amounts falling due within one year	11	(18,152)	(3,428)
Net current liabilities		(18,116)	(3,316)
Total assets less current liabilities		(647)	(3)
Creditors: amounts falling due after more than one year	12	(1,156)	-
Provisions for liabilities	13	(63)	(35)
Net liabilities		(1,866)	(38)
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account		(1,866)	(38)
Total shareholders' deficit		(1,866)	(38)

The notes on pages 9 to 22 form part of these financial statements.

The financial statements were approved by the board and signed on its behalf on 27 September 2017



WHM Robson
Director

Registered number: 07467929

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Statement of changes in equity for the year ended 31 December 2016

	Called up share capital £'000	Profit and loss account £'000	Total shareholders' deficit £'000
At 1 January 2015	-	(41)	(41)
Profit for the year	-	3	3
At 31 December 2015	-	(38)	(38)
Loss for the year	-	(1,828)	(1,828)
At 31 December 2016	-	(1,866)	(1,866)

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

1 Accounting Policies

General Information

Elysium Healthcare Property 6 Limited (the 'Company') is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is: 2 Imperial Place, Maxwell Road, Borehamwood, Hertfordshire, WD6 1JN.

The principal activity of the company during the year was to act as a property investment company.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Significant Accounting Policies

Basis of accounting

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to: share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of Elysium Healthcare Holdings 1 Limited.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 or value in use in IAS 36.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operation existence for the foreseeable future, including a letter of support from the group's parent company, Elysium Healthcare Holdings 1 Limited. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

1 Accounting Policies (continued)

Leases

During the period the Company entered into a sale and leaseback arrangement for the disposal of the freehold land and buildings and at the same time entered into a 125 year term finance lease for the buildings and an operating lease of the same term for the rental of the land. The result arising on the disposal has been recognized in exceptional items with the apportionment of the disposal proceeds between freehold land and the building based upon external professional valuation advice. The finance lease liability from the resulting finance leases have been recognized on the balance sheet and the operating lease rentals on the land have been charged to the profit and loss account.

Leases in which the company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Where land and buildings are held under leases the accounting treatment of the land is considered separately from that of the buildings.

Assets held under finance leases are recognized as assets of the Company at their fair value or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation is stated at cost at the balance sheet date.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. During the year the investment properties were sold as part of a sale and leaseback arrangement and the loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the cost of the asset) has been included in the profit or loss in the period.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

1 Accounting Policies (continued)

Impairment of tangible assets

At each balance sheet date, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Financial Assets

Loans and receivables

Trade debtors, loans, and other debtors that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Trade & other receivables are initially measured at transaction price including any transaction costs and subsequently measured at amortised cost using the effective interest method, less any impairment losses. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows associated with the asset have been affected.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

1 Accounting Policies (continued)

Impairment of financial assets (continued)

For certain categories of financial asset, such as trade debtors that are not considered to be individually impaired may be assessed for impairment on a collective basis. Objective evidence for impairment for a portfolio of receivables could include the company's past experience of collecting payment, an increase in the number of delayed payments, as well as observable changes in national or local economic conditions.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade debtors, where the carrying amount is reduced through the use of an allowance account. When a trade debtor is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

1 Accounting Policies (continued)

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

1 Accounting Policies (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Critical accounting judgements and key sources of estimation uncertainty

In preparing the financial statements, the directors are required to make significant judgements and estimates concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results and could result in a change to the estimates in the next or future financial years. The directors have concluded that there are no critical accounting estimates and judgements.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

2 Loss before taxation

Loss before taxation is stated after charging:

	2016 £'000	2015 £'000
Depreciation and other amounts written off property, plant and equipment:		
Owned	122	74
Rentals under operating leases:		
Other operating leases	9	-

The remuneration of the auditors of £7,500 (2015: £500) relates to the audit and was borne by another group undertaking in the prior year.

3 Directors' remuneration

During the year, no Director received any emoluments (2015 - £NIL) for any qualifying services provided to this company.

The company has no employees.

4 Loss on disposal of fixed assets

During the year, land was disposed of as part of a sale and leaseback transaction.

	2016 £'000	2015 £'000
Proceeds	3,474	-
Net book value	(5,150)	-
Loss on disposal	(1,676)	-

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

5 Interest receivable

	2016	2015
	£'000	£'000
Interest receivable on loan notes	6	-

6 Interest payable and similar expenses

	2016	2015
	£'000	£'000
Interest payable on finance leases	2	-

7 Tax on loss

	2016	2015
	£'000	£'000
UK corporation tax:		
Current tax credit arising in the year	-	(94)
Adjustments in respect of prior years	-	(18)
Total current tax	-	(112)
Deferred tax:		
Origination and reversal of timing differences	30	18
Adjustments in respect of prior years	-	17
Effect of tax rate change on opening balance	(2)	-
Total deferred tax	28	35
Total tax charge / (credit)	28	(77)

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

7 Tax on loss (continued)

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 20% (2015: 20.25%). The actual tax charge (2015: credit) for the year is higher (2015: higher) than the standard rate for the reasons set out in the following reconciliation:

	2016 £'000	2015 £'000
Loss before taxation	(1,800)	(74)
Tax on loss at standard rate	(360)	(15)
Factors affecting charge for the year:		
Fixed asset differences	358	15
Transfer pricing adjustments	(70)	(72)
Group relief	107	94
Adjustment to tax charge in respect of prior periods	-	(1)
Impact of rate change	(7)	(4)
Total tax charge / (credit) for the year	28	(77)

The standard rate of corporation tax in the UK changed from 21% to 20% with effect from 1 April 2015. Accordingly, the company's profits for this accounting year are taxed at an effective rate of 20% (2015: 20.25%).

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change was to reduce the main rate to 17% from 1 April 2020. The change to 17% from 1 April 2020 had been substantively enacted at the balance sheet date so its effects are included in these financial statements and the company's deferred tax balances have been restated to reflect their expected unwind at 17% rather than the rate of 18% expected at the previous balance sheet date.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

8 Investment property

	Property £'000
Cost	
At 1 January 2016	3,688
Additions	14,806
Disposals	(5,150)
At 31 December 2016	13,344
Accumulated depreciation	
At 1 January 2016	375
Charge for the year	122
At 31 December 2016	497
Net book amount	
At 31 December 2016	12,847
At 31 December 2015	3,313

The land element of property was disposed of during the year as part of a sale and leaseback transaction. Therefore, the net book value of land not depreciated at 31 December 2016 is £NIL. (2015: £5.2m)

Bank loans of Elysium Healthcare Holdings 3 Limited are secured by a floating charge over the assets of the Company.

9 Debtors: amounts falling due after more than one year

	2016 £'000	2015 £'000
Amounts due from group undertakings	4,622	-
	4,622	-

Amounts owed by group undertakings were unsecured, bore interest at LIBOR plus 5.25% per annum and are repayable in December 2031.

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

10 Debtors: amounts falling due within one year

	2016	2015
	£'000	£'000
Prepayments	36	-
Group relief recoverable	-	112
	36	112

11 Creditors: amounts falling due within one year

	2016	2015
	£'000	£'000
Amounts due to group undertakings	18,112	3,428
Lease creditor	40	-
	18,152	3,428

Amounts due to group undertakings are unsecured, non-interest bearing and repayable on demand.

12 Creditors: amounts falling due after more than one year

	2016	2015
	£'000	£'000
Lease creditor	1,156	-

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

12 Creditors: amounts falling due after more than one year (continued)

Long term lease creditors

Finance leases are repayable as follows:

Minimum lease payments

	2016 £'000	2015 £'000
Within one year	40	-
In the second to fifth years inclusive	161	-
After five years	4,815	-
Less: future finance charges	(3,820)	-
Present value of lease obligations	1,196	-

Present value of minimum lease payments

	2016 £'000	2015 £'000
Within one year	40	-
In the second to fifth years inclusive	158	-
After five years	998	-
Present value of lease obligations	1,196	-

Finance lease creditors

	2016 £'000	2015 £'000
Within one year	40	-
After more than one year	1,156	-
	1,196	-

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

13 Provisions for liabilities

	Deferred tax £'000
At 1 January 2016	35
Charged to the profit and loss account	28
At 31 December 2016	63

Deferred tax relates to depreciation in excess of capital allowances.

14 Called up share capital

	2016 £	2015 £
Allotted, called-up and fully paid		
1 (2015: 1) ordinary share of £1 each	1	1

15 Commitments

At the balance sheet date, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 Land £'000	2015 Land £'000
Within one year	117	-
In the second to fifth years inclusive	466	-
In over five years	13,989	-
	14,572	-

Elysium Healthcare Property 6 Limited (formerly Priory (Farmfield) Limited)

Notes to the financial statements for the year ended 31 December 2016

16 Ultimate parent company and controlling party

The immediate parent undertaking is Elysium Healthcare No. 2 Limited.

The ultimate parent undertaking is P Health S.A.R.L., a company incorporated in Luxembourg which is controlled by funds advised by BC Partners LLP. The Directors consider there is no ultimate controlling related party.

The largest group in which the results of the Company are consolidated is that headed by Elysium Healthcare Holdings 1 Limited, incorporated in England and Wales. The smallest group in which the results of the Company are consolidated is that headed by Elysium Healthcare Holdings 2 Limited, incorporated in England and Wales. The address of the registered office of Elysium Healthcare Holdings 1 Limited and Elysium Healthcare Holdings 2 Limited is: 2 Imperial Place, Maxwell Road, Borehamwood, Hertfordshire, WD6 1JN, where the consolidated financial statements of the Elysium Healthcare Holdings 1 Limited group and the Elysium Healthcare Holdings 1 Limited group may be obtained.