

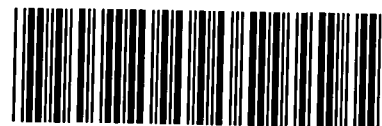
Registered No. OC384600

HCA SWISS CAPITAL 2 LLP

Report and Financial Statements

31 December 2017

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COMPANIES HOUSE

HCA Swiss Capital 2 LLP

Registered No. OC384600

DESIGNATED MEMBERS

HCA Switzerland Limited
HCA SFB 1 LLC

AUDITORS

Ernst & Young LLP
1 More London Place
London
SE1 2AF

REGISTERED OFFICE

242 Marylebone Road
London
NW1 6JL

THE MEMBERS REPORT

The members present their report and accounts for the year ended 31 December 2017.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The partnership was incorporated on 22 April 2013. On 30 April 2013 the partnership owns promissory notes from another group company to the value of £24,198,000 due to be repaid in no less than 10 years from this date. Interest continues to be charged on the loans at a variable rate.

DESIGNATED MEMBERS

HCA Switzerland Limited
HCA SFB 1 LLC

POLICY WITH RESPECT TO MEMBERS' DRAWINGS AND SUBSCRIPTIONS AND REPAYMENT OF MEMBERS' CAPITAL

Members are permitted to make drawings once the profit is determined. Drawings cannot exceed a member's profit share. The profit share is determined by the amount of the capital contribution made by the members pro rata over the net profit for the financial year.

New members are required to subscribe a minimum level of capital. Members may increase the amount of their capital contribution if members so agree by members' consent. On retirement, the balance on a member's Capital Account is repaid.

In the event of winding up, other reserves along with members' capital rank after unsecured creditors.

FUTURE DEVELOPMENTS

There are no plans to change the activities of the partnership.

EVENTS AFTER THE END OF THE REPORTING PERIOD

No significant events affecting the LLP have occurred since the end of the reporting period.

THE MEMBERS' REPORT (CONTINUED)

GOING CONCERN

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the members. On the basis of their assessment of the company's financial position, the company's members have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. After making suitable enquiries, the partnership's members have a reasonable expectation that the partnership will be able to continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

Legal risk

The principal risk for the LLP's business is that any member under the Insolvency Act 1986 can resolve to place the LLP into voluntary liquidation and take other measures to wind up the LLP. This risk is mitigated to a significant degree in that all the members are within the HCA Holdings Inc. group and would refrain from such action if it were disadvantageous to the LLP.

Liquidity risk

The LLP owns promissory notes from another HCA UK Group company upon which interest is charged to them. The LLP has no other transactions other than interest income from this company.

St Martins Limited is the issuer of the promissory note which is a holding company for St Martins Healthcare Limited. Whilst the holding company may not be able to settle the loans immediately, it could call in its intercompany debtors or receive dividends from its subsidiaries to settle these debts. The Group also generates significant surplus cash levels on an annual basis which can be used to repay the loan to the LLP.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each person who was a member at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow members and the LLP's auditor, each member has taken all the steps that they are obliged to take as a member in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

Ernst & Young LLP will continue as auditor of the LLP.

Approved by the members on 26 September 2018 and signed on their behalf by:



Jasy Loyal
For and on behalf of HCA SFB 1 LLC



Teresa F Pritchard
For and on behalf of HCA Switzerland Limited

MEMBERS' RESPONSIBILITIES STATEMENT

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 requires the members to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that year.

The members have elected to prepare financial statements for the LLP in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing those financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 LLP will continue in business.

Under the Limited Liability Partnerships Regulations 2008, the members are responsible for keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Limited Liability Partnership Regulations. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HCA SWISS CAPITAL 2 LIMITED LIABILITY PARTNERSHIP ('LLP')

Opinion

We have audited the financial statements of HCA Swiss Capital 2 LLP for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Reconciliation of Members' Interests, and the related notes 1 to 9, including a summary of significant accounting policies. 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 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2017 and of its profit for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the limited liability partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 15, other than the financial statements and our auditor's report thereon. The members are responsible for the other information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HCA SWISS CAPITAL 2 LIMITED LIABILITY PARTNERSHIP ('LLP') (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability partnerships 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 we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the Members' Responsibilities Statement on page 4, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the partnership or to cease operations, or have no realistic alternative but to do so.

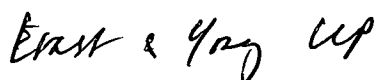
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to Limited Liability Partnerships. Our audit work has been undertaken so that we might state to the 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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christine Chua (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

26 September 2018

HCA Swiss Capital 2 LLP

STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2017

		2017	2016
	Notes	£000	£000
Administrative expenses		(2)	(1)
OPERATING LOSS	2	<u>(2)</u>	<u>(1)</u>
Interest receivable	4	424	440
PROFIT FOR THE FINANCIAL YEAR / PERIOD BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		<u>422</u>	<u>439</u>
Members' remuneration charged as an expense		-	-
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		<u>422</u>	<u>439</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>422</u></u>	<u><u>439</u></u>


All activities relate to continuing operations.

HCA Swiss Capital 2 LLP

STATEMENT OF FINANCIAL POSITION at 31 December 2017

	Notes	2017 £000	2016 £000
NON-CURRENT ASSETS			
Debtors : amounts falling due after one year	5	<u>26,480</u>	<u>26,055</u>
CREDITORS: amounts falling due within one year			
Trade and other payables	6	<u>(6)</u>	<u>(3)</u>
NET CURRENT LIABILITIES		(6)	(3)
NET ASSETS		<u>26,474</u>	<u>26,052</u>
REPRESENTED BY:			
Members' capital		24,198	24,198
Other reserves		<u>2,276</u>	<u>1,854</u>
TOTAL MEMBERS' INTERESTS		<u>26,474</u>	<u>26,052</u>

These financial statements were approved by the members on 26 September 2018 and are signed on their behalf by:


Jasy Loyal
For and on behalf of HCA SFB 1 LLC


Teresa F Pritchard
For and on behalf of HCA Switzerland Limited

Registered No. OC384600

HCA Swiss Capital 2 LLP

RECONCILIATION OF MEMBERS' INTERESTS for the year ended December 2017

	<i>Members ' capital £000</i>	<i>Other reserves £000</i>	<i>Members' interests total £000</i>
Members' interests at 1 January 2016	24,198	1,415	25,613
Profit for the financial year available for division among members	-	439	439
Members' interests at 1 January 2017	<u>24,198</u>	<u>1,854</u>	<u>26,052</u>
Profit for the financial year available for division among members	-	422	422
Members' interests at 31 December 2017	<u>24,198</u>	<u>2,276</u>	<u>26,474</u>

HCA Swiss Capital 2 LLP

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2017

1. ACCOUNTING POLICIES

The principal accounting policies adopted by the partnership are set out below and are consistent with the previous year.

Statement of compliance

HCA Swiss Capital 2 LLP is a limited liability partnership incorporated in England.

The partnership's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the partnership for the year ended 31 December 2017.

The results of HCA Swiss Capital 2 LLP are included in the consolidated financial statements of HCA Healthcare Inc, a company incorporated in the United States of America.

Basis of preparation

The financial statements of HCA Swiss Capital 2 LLP for the year ended 31 December 2017 were authorised for issue by the members on 26 September 2018

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards including the Statement of Recommended Practice, Accounting by Limited Liability Partnerships, "the SORP" and under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the partnership, and rounded to the nearest £'000.

The partnership has taken advantage of the following exemptions under FRS 102:

- (a) the requirements of section 4 *Statement of Financial Position* paragraph 4.12 (a)(iv)
- (b) the requirements of Section 7 *Statement of Cash Flows* and Section 3 *Financial Statement Presentation* paragraph 3.17(d)
- (c) the requirements of Section 11 *Basic Financial Instruments* paragraphs 11.39 to 11.48A and Section 12 *Other Financial Instrument Issues* paragraphs 12.26 to 12.29A
- (d) the requirement of Section 33 *Related Party Disclosures* paragraph 33.7

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Going concern

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the members. On the basis of their assessment of the company's financial position, the company's members have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. After making suitable enquiries, the partnership's members have a reasonable expectation that the partnership will be able to continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1. ACCOUNTING POLICIES (CONTINUED)

Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following estimates are dependent upon assumptions which could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the statement of financial position date:

Impairment

The LLP assesses at each reporting date whether there is any objective evidence that loans due from other group companies are impaired. If there is objective evidence that an impairment loss on loans and receivables has been incurred, the amount of the loss is measured as the difference between the loan carrying amount and the present value of estimated future cash flows discounted at the loans' original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the loan is reduced, with the amount of the loss recognised in administrative expenses.

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. Any subsequent reversal of an impairment loss is recognised in the statement of comprehensive income, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Significant accounting policies

Taxation

The taxation payable on the partnership profits is the personal liability of the members and consequently neither taxation nor related deferred taxation is accounted for in the financial statements.

Financial Assets

Initial recognition and measurement

The LLP determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus directly attributable transaction costs.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the statement of comprehensive income. The losses arising from impairment are recognised in the statement of comprehensive income in administrative expenses.

1. ACCOUNTING POLICIES (CONTINUED)

Financial Assets (continued)

Derecognition of financial assets

A financial asset is derecognised when (i) the rights to receive cash flows from the asset have expired or (ii) the LLP has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass through” arrangement; and either (a) the LLP has transferred substantially all the risks and rewards of the asset, or (b) the LLP has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The LLP assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced, with the amount of the loss recognised in administrative expenses.

Impairment of financial assets

The LLP assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced, with the amount of the loss recognised in administrative expenses.

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. Any subsequent reversal of an impairment loss is recognised in the statement of comprehensive income, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Financial liabilities

Initial recognition and measurement

The LLP determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the LLP becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

HCA Swiss Capital 2 LLP

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2017

Derecognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Members' participation rights (continued)

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the Statement of Comprehensive Income and are equity appropriations in the Statement of Financial Position.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

2. OPERATING LOSS

The auditors of the partnership are also the auditors of HCA International Limited and are remunerated in respect of their services to the partnership by HCA International Limited. The audit fee for the partnership was £4,100 (2016: £3,340). There were no non-audit services provided during the year (2016: £nil).

3. INFORMATION IN RELATION TO MEMBERS

	2017 £000	2016 £000
Average number of members during the year	<u>2</u>	<u>2</u>
Profit (including remuneration) during the year attributable to the member with the largest entitlement to profits	<u>422</u>	<u>439</u>

Profit attributable to the member with the largest entitlement was calculated based upon the entitlement to profits calculation within the LLP agreement for the year, this being 99.9% for 2017 (2016: 99.9%).

4. INTEREST RECEIVABLE

	2017 £000	2016 £000
Interest receivable on intercompany loans	<u>424</u>	<u>440</u>

Interest is charged on loans at euro LIBOR plus 2.15%. The balances, including interest are due to be repaid by 30 April 2023, this being the date falling no later than 10 years from the date of issuance of the promissory note.

HCA Swiss Capital 2 LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

at 31 December 2017

5. DEBTORS: amounts falling due after one year

	2017 £000	2016 £000
Loan amounts due from other group companies	24,198	24,198
Interest on loan amounts due from other group companies	2,282	1,857
	<u>26,480</u>	<u>26,055</u>

6. CREDITORS: amounts falling due within one year

	2017 £000	2016 £000
Amounts owed to other group companies – trading	<u>(6)</u>	<u>(3)</u>

7. RELATED PARTY TRANSACTIONS

During the period, the partnership entered into transactions, in the ordinary course of business, as follows:

Related Party	Transactions during the year	2017 £000	2016 £000
St Martins Limited	Interest receivable on intercompany loans	<u>424</u>	<u>440</u>
Related Party	Closing balance at year end	2017 £000	2016 £000
St Martins Limited	Loan amounts due from other group companies and related interest	24,198	24,198
St Martins Limited	Interest on loan amounts due from other group companies	2,282	1,857
Lawson System	Amounts owed to other group companies – trading	(5)	(3)
Corporate	Amounts owed to other group companies – trading	<u>(1)</u>	<u>-</u>

HCA Swiss Capital 2 LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

at 31 December 2017

8. FINANCIAL INSTRUMENTS

	2017	2016
	£000	£000
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Loan amounts due from other group companies	24,198	24,198
Interest on loan amounts due from other group companies	2,282	1,857
	<u>26,480</u>	<u>26,055</u>
<i>Financial liabilities measured at amortised cost</i>		
Amounts owed to other group companies – trading	6	3
	<u>6</u>	<u>3</u>

9. ULTIMATE PARENT UNDERTAKING & CONTROLLING PARTY

The immediate parent is HCA Switzerland Limited, a company registered in Gibraltar.

The partnership's ultimate parent undertaking and controlling party is HCA Healthcare Inc., which is incorporated in the United States of America. HCA Healthcare Inc is the smallest and largest group of which the partnership is a member and for which group financial statements are prepared. Copies of the parent's consolidated accounts may be obtained from HCA, Investor Relations, One Park Plaza, I-4W, Nashville, TN 37203, USA.