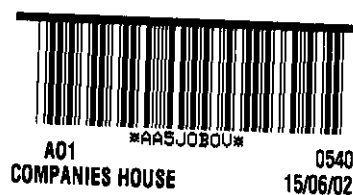


**Libra Health Limited**

**Directors' report and financial  
statements**

**Year ended 31 December 2001**

**Registered number 1355923**



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## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2001.

### Principal activities

The principal activity of the company was the management of a number of hospitals and a day care centre.

### Business review

The results for the year are set out in the profit and loss account on page 5.

### Proposed dividend

The directors do not recommend the payment of a dividend (2000: £nil).

### Directors and directors' interests

The directors who held office during the year were as follows:

AG Heywood (resigned 30 April 2002)  
 Dr CB Patel  
 JD Weight

In accordance with the articles of association, no directors retire by rotation. None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

The interests of the directors in the share capital of Priory Healthcare Holdings Limited (formerly Westminster Health Care Holdings Limited) were as follows:

|             | Interest at end of the year |          | Interest at start of the year |          |
|-------------|-----------------------------|----------|-------------------------------|----------|
|             | A shares                    | B shares | A shares                      | B shares |
| Dr CB Patel | 909,278                     | 9        | 909,278                       | 9        |
| AG Heywood  | 75,773                      | 1        | 75,773                        | 1        |
| JD Weight   | 15,155                      | -        | 15,155                        | -        |

## Directors' report *(continued)*

### Employees

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

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

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

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



**JD Weight**  
*Company Secretary*

Westminster House  
Randalls Way  
Leatherhead  
Surrey  
KT22 7TZ

10 June 2002

## Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

## **Report of the independent auditors', KPMG Audit Plc, to the members of Libra Health Limited**

We have audited the financial statements on pages 5 to 16.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

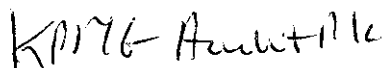
### **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**KPMG Audit Plc**  
*Chartered Accountants*  
*Registered Auditor*

10 June 2002

**Profit and loss account**  
*for the year to 31 December 2001*

|  | <i>Note</i> | <b>31 December 2001</b><br>£000 | 31 December 2000<br>£000 |
|--|-------------|---------------------------------|--------------------------|
| <b>Turnover</b>                                      | 2           | 20,667                          | 19,057                   |
| Cost of sales  |             | (16,728)                        | (15,332)                 |
| <b>Gross profit</b>                                  |             | 3,939                           | 3,725                    |
| Administrative expenses                              | 4,5         | (5,313)                         | (1,487)                  |
| <b>Operating profit</b>                              |             | (1,374)                         | 2,238                    |
| Net interest receivable                              | 6           | (15)                            | -                        |
| <b>Profit on ordinary activities before taxation</b> | 2,3         | (1,385)                         | 2,238                    |
| Tax on profit on ordinary activities                 | 7           | 913                             | (810)                    |
| <b>Retained (loss)/profit for the financial year</b> |             | (472)                           | 1,428                    |

The results for both the current and prior period derive from continuing activities.

There were no recognised gains or losses during the year other than the retained profit for the period.

**Balance sheet**  
*at 31 December 2001*

|  | <i>Note</i> | <b>31 December 2001</b> | <b>31 December 2000</b> |
|--|-------------|-------------------------|-------------------------|
|  |             | <b>£000</b>             | <b>£000</b>             |
| <b>Fixed assets</b>  |             |                         |                         |
| Tangible assets  | 8           | 26,967                  | 27,596                  |
| Investments  | 9           | 540                     | 540                     |
|  |             | <hr/>                   | <hr/>                   |
|  |             | 27,507                  | 28,136                  |
| <b>Current assets</b>  |             |                         |                         |
| Stocks   | 10          | 51                      | 70                      |
| Debtors  | 11          | 12,758                  | 3,622                   |
| Cash at bank and in hand                                       |             | -                       | 2,187                   |
|  |             | <hr/>                   | <hr/>                   |
|  |             | 12,809                  | 5,879                   |
| <b>Creditors: amounts falling due within one year</b>          | 12          | (19,515)                | (12,735)                |
|  |             | <hr/>                   | <hr/>                   |
| <b>Net current liabilities</b>                                 |             | (6,706)                 | (6,856)                 |
|  |             | <hr/>                   | <hr/>                   |
| <b>Total assets less current liabilities</b>                   |             | 20,801                  | 21,280                  |
| <b>Creditors: amounts falling due after more than one year</b> | 13          | (170)                   | (146)                   |
| <b>Provisions for liabilities and charges</b>                  | 14          | (89)                    | (120)                   |
|  |             | <hr/>                   | <hr/>                   |
| <b>Net assets</b>  |             | 20,542                  | 21,014                  |
|  |             | <hr/>                   | <hr/>                   |
| <b>Capital and reserves</b>                                    |             |                         |                         |
| Called up share capital  | 15          | -                       | -                       |
| Revaluation reserve  | 16          | 16,823                  | 16,823                  |
| Profit and loss account  | 16          | 3,719                   | 4,191                   |
|  |             | <hr/>                   | <hr/>                   |
| <b>Shareholders' funds – equity</b>                            |             | 20,542                  | 21,014                  |
|  |             | <hr/>                   | <hr/>                   |

These financial statements were approved by the board of directors on 0 June 2002 and were signed on its behalf by:



**JD Weight**  
Director



**Note of historical cost profits and losses**  
*for the year to 31 December 2001*

|   | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|---|---------------------|---------------------|
| <b>Reported (loss)/profit on ordinary activities before taxation</b>  | <b>(1,385)</b>      | <b>2,238</b>        |
| Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount | 171                 | 201                 |
| <b>Historical cost (loss)/profit on ordinary activities before taxation</b>   | <b>(1,214)</b>      | <b>2,439</b>        |
| <b>Historical cost (loss)/profit for the period retained after taxation and dividends</b>                                     | <b>(301)</b>        | <b>1,629</b>        |

**Reconciliation of movements in shareholders' funds**  
*for the year to 31 December 2001*

|  | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|--|---------------------|---------------------|
| <b>(Loss)/profit for the financial year</b>            | <b>(472)</b>        | <b>1,428</b>        |
| <b>Net (reduction)/addition to shareholders' funds</b> | <b>(472)</b>        | <b>1,428</b>        |
| Opening shareholders' funds                            | 21,014              | 19,586              |
| <b>Closing shareholders' funds</b>                     | <b>20,542</b>       | <b>21,014</b>       |

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### ***Basis of preparation***

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, modified to include the revaluation of certain land and buildings. The company is following the transitional provisions of FRS15 and is retaining the book values of freehold and leasehold land and buildings including valuations up to the date of adoption of the Financial Reporting Standard.

The company is exempt by virtue of section 228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

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

As the company is a wholly owned subsidiary of Priory Healthcare Holdings Limited (formerly Westminster Health Care Holdings Limited), the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

#### ***Fixed assets and depreciation***

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

|  |   |                              |
|--|---|------------------------------|
| Freehold buildings and long leasehold properties | - | 50 years                     |
| Short leasehold properties                       | - | over the period of the lease |
| Plant, fixtures and fittings                     | - | 3 to 10 years                |
| Motor vehicles                                   | - | 4 years                      |

No depreciation is provided on freehold land.

Fixed asset investments are stated at cost less provision for any impairment in value.

#### ***Leases***

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

#### ***Post-retirement benefits***

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

## Notes (continued)

### 1 Accounting policies (continued)

#### Stocks

Stocks are stated at the lower of cost and net realisable value.

#### Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

#### Group relief

Payment is generally made for group relief at a rate of 30% 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 change.

#### Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of services.

### 2 Analysis of turnover and profit on ordinary activities before taxation

The company's turnover, profit before taxation and net assets arise primarily from its principal activity of running hospitals and a day care centre in the United Kingdom.

### 3 Profit on ordinary activities before taxation

|   | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|---|---------------------|---------------------|
| <i>Profit on ordinary activities before taxation is stated after charging</i> |                     |                     |
| Auditors' remuneration (inclusive of VAT):                                    |                     |                     |
| Audit   | 10                  | 10                  |
| Other services - fees paid to the auditor and its associates                  | -                   | -                   |
| Depreciation and other amounts written off tangible fixed assets:             |                     |                     |
| Owned   | 786                 | 772                 |
| Leased  | 81                  | 44                  |
| Hire of plant and machinery - rentals payable under operating leases          | 264                 | 133                 |
| Hire of other assets - rentals payable under operating leases                 | 26                  | -                   |
| <i>after crediting</i>  |                     |                     |
| Rental income (third party)   | 71                  | 114                 |
| Profit on sale of fixed assets  | 5                   | -                   |
|   | <hr/>               | <hr/>               |

## Notes (continued)

### 4 Remuneration of directors

|   | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|---|---------------------|---------------------|
| Directors' emoluments                                   | -                   | 120                 |
| Company contributions to money purchase pension schemes | -                   | 8                   |
|   | <hr/>               | <hr/>               |
|   | -                   | 128                 |
|   | <hr/>               | <hr/>               |
| Compensation for loss of office                         | -                   | 108                 |
|   | <hr/>               | <hr/>               |

The emoluments of the highest paid director were £nil (2000: £51,000) and company pension contributions of £nil (2000: £3,000) were made to a money purchase scheme on his behalf.

### 5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the period, analysed by category, was as follows:

|                      | Number of employees |             |
|----------------------|---------------------|-------------|
|                      | 31 Dec 2001         | 31 Dec 2000 |
| Medical staff        | 340                 | 308         |
| Hotel services staff | 104                 | 127         |
| Administrative staff | 175                 | 155         |
|                      | <hr/>               | <hr/>       |
|                      | 619                 | 590         |
|                      | <hr/>               | <hr/>       |

The aggregate payroll costs of these persons were as follows:

|                       | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|-----------------------|---------------------|---------------------|
| Wages and salaries    | 8,982               | 7,856               |
| Social security costs | 933                 | 690                 |
| Other pension costs   | 211                 | 170                 |
|                       | <hr/>               | <hr/>               |
|                       | 10,126              | 8,716               |
|                       | <hr/>               | <hr/>               |

## Notes (continued)

### 6 Net interest payable and similar charges

|   | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|---|---------------------|---------------------|
| Interest charges payable in respect of finance leases | 15                  | 8                   |
| Interest receivable and similar income                | (4)                 | (8)                 |
|   | <hr/>               | <hr/>               |
|   | 11                  | -                   |
|   | <hr/>               | <hr/>               |

### 7 Taxation

|  | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|--|---------------------|---------------------|
| UK corporation tax on (credit)/charge on income at 30% | (80)                | 802                 |
| Adjustment in respect of prior years                   | (802)               | -                   |
| Deferred tax (credit)/charge (see note 14)             | (31)                | 8                   |
|  | <hr/>               | <hr/>               |
|  | (913)               | 810                 |
|  | <hr/>               | <hr/>               |

The tax credit of £80,000 in 2001 represents the payment due from other group companies in respect of losses surrendered to them. Payment is based upon the losses surrendered at 30%. The tax charge of £802,000 in 2000 has been relieved by the surrender of losses by other group companies originally in exchange for payment of the same amount. The decision was subsequently taken in 2001 to write off any amounts owed by group companies for losses surrendered, hence the 2000 tax charge was adjusted to that no consideration was paid for the losses surrendered to the company.

## Notes (continued)

### 8 Tangible fixed assets

|                            | Land and<br>buildings<br>£000 | Assets in<br>course of<br>construction<br>£000 | Fixtures<br>and fittings<br>£000 | Motor<br>vehicles<br>£000 | Total<br>£000 |
|----------------------------|-------------------------------|--|----------------------------------|---------------------------|---------------|
| <b>Cost or valuation</b>   |                               |  |                                  |                           |               |
| At beginning of the year   | 25,964                        | 530  | 2,902                            | 278                       | 29,674        |
| Additions                  | 104                           | 75   | 489                              | 107                       | 775           |
| Disposals                  | -                             | -  | (7)                              | (24)                      | (31)          |
| Transfers                  | -                             | (527)  | (1)                              | -                         | (528)         |
| At end of the year         | 26,068                        | 78   | 3,383                            | 361                       | 29,890        |
| <b>Depreciation</b>        |                               |  |                                  |                           |               |
| At beginning of the year   | 635                           | -  | 1,363                            | 80                        | 2,078         |
| Charge for the year        | 390                           | -  | 399                              | 80                        | 869           |
| Disposals                  | -                             | -  | (2)                              | (22)                      | (24)          |
| At end of the year         | 1,025                         | -  | 1,760                            | 138                       | 2,923         |
| <b>Net book value</b>      |                               |  |                                  |                           |               |
| Cost                       | 13,294                        | 78   | 1,623                            | 223                       | 15,218        |
| Valuation                  | 11,749                        | -  | -                                | -                         | 11,749        |
| <b>At 31 December 2001</b> | <b>25,043</b>                 | <b>78</b>                                      | <b>1,623</b>                     | <b>223</b>                | <b>26,967</b> |
| At 31 December 2000        | 25,329                        | 530  | 1,539                            | 198                       | 27,596        |

The Company's land and buildings were valued externally at 31 May 1999 on an open market value for existing use basis by Conrad Ritblat, an independent firm employing qualified surveyors specialising in nursing and rest home surveys and valuations. The valuations were carried out in accordance with the Royal Institution of Chartered Surveys Statements of Asset Valuation Practice and Guidance Notes.

Subsequent additions to land and buildings are recorded at cost to the company.

The gross book value of land and buildings includes £19,512,000 (2000: £19,408,000) of depreciable assets.

## Notes (continued)

### 8 Tangible fixed assets (continued)

Included in the total net book value of motor vehicles is £223,000 (2000: £194,000) in respect of assets held under finance leases. Depreciation for the period on these assets was £81,000 (2000: £44,000).

The historical net book value of land and buildings is given below:

|                                | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|--------------------------------|---------------------|---------------------|
| Historical cost of assets      | 14,260              | 14,156              |
| Aggregate depreciation thereon | (966)               | (747)               |
| Historical cost net book value | 13,294              | 13,409              |

### 9 Fixed asset investments

|                                     | Total<br>£000 |
|-------------------------------------|---------------|
| <i>Shares in group undertakings</i> |               |
| <i>Cost</i>                         |               |
| At beginning and end of the year    | 540           |

The companies in which the company's interest at the year end is more than 20% are as follows:

|  | Country of<br>incorporation | Principal<br>activity | Class and<br>percentage<br>of shares<br>held |
|--|-----------------------------|-----------------------|--|
| <i>Subsidiary undertakings</i>         |                             |                       |  |
| Libra Nursing Homes Limited            | England                     | Dormant               | 100% ordinary                                |
| Ticehurst House Private Clinic Limited | England                     | Dormant               | 100% ordinary                                |

### 10 Stocks

|                     | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|---------------------|---------------------|---------------------|
| Consumable supplies | 51                  | 70                  |

## Notes (continued)

### 11 Debtors

|                                    | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|------------------------------------|---------------------|---------------------|
| Trade debtors                      | 3,074               | 2,762               |
| Amounts owed by group undertakings | 9,407               | 735                 |
| Group relief recoverable           | 80                  | -                   |
| Other debtors                      | 74                  | 36                  |
| Prepayments and accrued income     | 123                 | 89                  |
|                                    | <u>12,758</u>       | <u>3,622</u>        |

### 12 Creditors: amounts falling due within one year

|  | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|--|---------------------|---------------------|
| Bank overdraft                                 | 7,981               | -                   |
| Obligations under finance leases (see note 13) | 69                  | 48                  |
| Trade creditors                                | 558                 | 447                 |
| Amounts owed to group undertakings             | 8,552               | 9,284               |
| Group relief payable                           | -                   | 802                 |
| Corporation tax                                | 681                 | 638                 |
| Other taxes and social security                | 242                 | 255                 |
| Other creditors                                | 312                 | 840                 |
| Accruals and deferred income                   | 1,120               | 421                 |
|  | <u>19,515</u>       | <u>12,735</u>       |

### 13 Creditors: amounts falling due after more than one year

|                                  | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|----------------------------------|---------------------|---------------------|
| Obligations under finance leases | <u>170</u>          | <u>146</u>          |

Obligations under finance leases are payable as follows:

|                          | 31 Dec 2001<br>£000 | 31 Dec 2000<br>£000 |
|--------------------------|---------------------|---------------------|
| Within one year or less  | 69                  | 48                  |
| Within one to two years  | 98                  | 48                  |
| Within two to five years | 72                  | 98                  |
|                          | <u>239</u>          | <u>194</u>          |



## Notes (continued)

### 14 Provisions for liabilities and charges

|                              | 2001<br>£000 | 2000<br>£000 |
|------------------------------|--------------|--------------|
| <i>Deferred tax</i>          |              |              |
| At beginning of the year     | 120          | 112          |
| (Credit)/charge for the year | (31)         | 8            |
|                              | <hr/>        | <hr/>        |
| At end of the year           | 89           | 120          |
|                              | <hr/>        | <hr/>        |

Deferred tax has been provided in full as follows:

|   | 31<br>£000 | 31<br>£000 |
|---|------------|------------|
| Difference between accumulated depreciation<br>and capital allowances | 89         | 120        |
|   | <hr/>      | <hr/>      |

No provision has been made for deferred tax on the excess of valuation over cost of the Company's properties as it is not the intention to dispose of any of the properties on which a revaluation surplus has arisen.

### 15 Called up share capital

|  | 31 Dec 2000<br>£ | 31 Dec 2000<br>£ |
|--|------------------|------------------|
| <i>Authorised</i>                          |                  |                  |
| 200 (1999: 200) Ordinary shares of £1 each | 200              | 200              |
|  | <hr/>            | <hr/>            |
| <i>Allotted, called up and fully paid</i>  |                  |                  |
| 200 (1999: 200) Ordinary shares of £1 each | 200              | 200              |
|  | <hr/>            | <hr/>            |

### 16 Reserves

|                            | Revaluation<br>reserve<br>£000 | Profit<br>and loss<br>account<br>£000 |
|----------------------------|--------------------------------|---------------------------------------|
| At beginning of the year   | 16,823                         | 4,191                                 |
| Retained loss for the year | -                              | (472)                                 |
|                            | <hr/>                          | <hr/>                                 |
| At end of the year         | 16,823                         | 3,719                                 |
|                            | <hr/>                          | <hr/>                                 |

## Notes (continued)

### 17 Contingent liabilities

- (a) The company has entered into banking facilities set-off agreements in respect of which guarantees have been given. The aggregate amount outstanding under the agreements was £396,000 at 31 December 2001 (2000: £nil).
- (b) An intermediate parent undertaking has obtained a secured bank loan amounting to £101,750,000 as at 31 December 2001 (2000: £99,625,000). This loan is secured on the freehold and leasehold properties of the company and those of certain of its fellow subsidiaries. In addition, the company's share capital has been pledged as security for this loan.

### 18 Commitments

Annual commitments under non-cancellable operating leases are as follows:

|  | 31 Dec 2001                   |               | 31 Dec 2000                   |               |
|--|-------------------------------|---------------|-------------------------------|---------------|
|  | Land and<br>buildings<br>£000 | Other<br>£000 | Land and<br>buildings<br>£000 | Other<br>£000 |
| Operating leases which expire:         |                               |               |                               |               |
| Within one year                        | 30                            | 59            | 13                            | 95            |
| In the second to fifth years inclusive | 13                            | 20            | -                             | 70            |
| Over five years                        | -                             | -             | -                             | 2             |
|  | <u>43</u>                     | <u>79</u>     | <u>13</u>                     | <u>166</u>    |

### 19 Pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the fund and amounted to £211,000 (2000: £170,000).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

### 20 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of, and is controlled by, Priory Healthcare Holdings Limited (formerly Westminster Health Care Holdings Limited) which is incorporated in England.

The largest group in which the results of the company are consolidated is that headed by Priory Healthcare Holdings Limited (formerly Westminster Health Care Holdings Limited). No other group accounts include the results of the company.