

BHSL HOSPITALS LIMITED
(Registered No. 1461499)

ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1991



BHSL HOSPITALS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 1991

The Directors present their Report and the audited accounts for the year ended 31st December 1991.

1. **Review of the business**

On 1st January 1991, the whole of the company's net assets and business undertakings were transferred to BUPA Hospitals Limited (formerly BHSL Limited).

2. **Results and Dividend**

The profit for the year after taxation and extraordinary profit, amounted to £3,462,920.
The profit has been retained by the company.

A dividend for the year ended 31st December 1991 of £23,860,314 was paid to shareholders registered at the close of business on the 31st December 1991. No further dividend is proposed.

3. **Fixed Assets**

The changes in tangible fixed assets during the year are summarised in note 6 to the accounts.

4. **Board of Directors**

The names of persons who were members of the Board of Directors at any time during the year are as follows:-

Mrs S.C. Ellen, B.Sc., A.H.S.M. (Chairman)
R.J. Abraham, B.A., A.C.A. (Appointed 09.12.91)
Dr A.R. Bailey, M.B., M.R.C.P. (Resigned 13.12.91)
K. Biddlestone (Resigned 13.12.91)
Viscount Colville, Q.C. (Appointed 01.01.91, Resigned 13.12.91)
R.M. Graham, A.C.I.I. (Resigned 19.04.91)
A. Hodgkinson, A.H.S.M. (Resigned 16.09.91)
E.W. Lea, F.C.A. (Appointed 13.12.91)
G.W. Lee, F.C.M.A. (Resigned 09.12.91)
N. Lessels, C.A. (Appointed 01.01.91, Resigned 13.12.91)
D.R. Spray, B.A., F.C.A., M.B.I.M. (Resigned 01.11.91)
E.J. Stevenson (Resigned 13.12.91)
M.A. Sykes (Resigned 13.12.91)
Lord Wigoder, Q.C. (Resigned 13.12.91)

There are no Directors' interests requiring disclosure under the Companies Act 1985.

5. Directors and Officers' Liability Insurance

During the year the Company's ultimate Holding company, The British United Fecident Association Limited (BUPA), purchased insurance on behalf of the Directors and Officers of BUPA and its subsidiary companies against any liability or breach of trust in relation to BUPA and any of its subsidiaries.

6. Auditors

The Auditors, KPMG Peat Marwick, offer themselves for re-appointment in accordance with Section 385 of the Companies Act 1985. A resolution for the re-appointment of them as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Registered Office:
15 Essex Street
London WC2R 3AX

By order of the Board



R.J. Abraham
Secretary

57 APR

1992

REPORT OF THE AUDITORS, KPMG PEAT MARWICK,
TO THE MEMBERS OF EHSL HOSPITALS LIMITED

We have audited the accounts on pages 4 to 13 in accordance with Auditing Standards.

In our opinion, the accounts give a true and fair view of the state of the company's affairs at 31st December 1991 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Peat Marwick

KPMG Peat Marwick
Chartered Accountants
Registered Auditor

London

7th April 1992

BISL HOSPITALS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1991

	Note	£	1990 £
Turnover		-	29,301,930
Operating charges		-	(26,753,087)
Profit on ordinary activities before taxation	2	-	2,548,843
Tax on profit on ordinary activities	3	-	(500,430)
Profit on ordinary activities after taxation		-	2,048,413
Extraordinary profit	4	3,462,920	-
Profit for the financial year		3,462,920	2,048,413
Dividend paid		(23,860,314)	-
(Loss)/profit for the financial year transferred to reserves	12	(20,397,394)	2,048,413

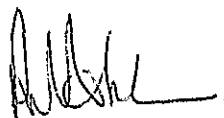
The accounting policies and notes on pages 6 to 13 form part of these accounts.

BHSL HOSPITALS LIMITED

BALANCE SHEET AT 31ST DECEMBER 1991

	Note	£	£	1990	£
Fixed assets					
Tangible assets	6	-		32,820,736	
Investments	7	-		7,500	
			-		32,828,236
Current assets					
Stocks		-		1,031,840	
Debtors	8	4,088,546		32,117,585	
Cash at bank and in hand		-		103,001	
		4,088,546		33,252,426	
Less:					
Creditors - amounts falling due within one year	9	1		3,813,973	
Net current assets			4,088,545		29,438,453
Total assets less current liabilities			4,088,545		62,266,689
Less:					
Creditors - amounts falling due after more than one year	9	-		37,780,750	
			-		(37,780,750)
			4,088,545		24,485,939
Capital and reserves					
Called up share capital	11		625,625		625,625
Revaluation reserve	12		-		20,475,120
Profit and loss account	12		3,462,920		3,385,194
			4,088,545		24,485,939

These accounts were approved by the Board on 27 APR 1992.



R.J. Abraham - Director

The accounting policies and notes on pages 6 to 13 form part of these accounts.

INSL HOSPITALS LIMITED

STATEMENT OF ACCOUNTING POLICIES

a) Basis of presentation

The accounts have been prepared under the historical cost convention as modified by the revaluation of freehold and long leasehold property and in accordance with applicable accounting standards.

Consolidated accounts have not been prepared as the company is a wholly owned subsidiary of The British United Provident Association Limited.

b) Turnover

Turnover represents the total amount receivable by the company in the ordinary course of business for goods supplied and for services rendered, after deducting trade discounts and value added tax where applicable.

c) Depreciation

Depreciation is calculated to write-off the cost or valuation of tangible fixed assets to their expected residual value on a straight line basis over their expected useful lives. The principal annual rates applicable are:

Freehold buildings	2%
Long leasehold property	2%
Equipment	10% - 33%
Motor vehicles	25%

No depreciation is provided on freehold land or on buildings under construction.

d) Stocks

Stocks, comprising raw materials and consumables, are stated at the lower of cost and net realisable value.

Cost means purchase price, less trade discounts, calculated on an average basis. Net realisable value means estimated selling price, less trade discounts, and less all costs to be incurred in marketing, selling and distribution.

e) Contributions to pension funds

The cost of providing retirement pensions and related benefits is charged to the profit and loss account over the periods which are expected to benefit from the employees' services. Any difference between the charge to the profit and loss account and the contributions paid to the scheme is included as an asset or liability in the balance sheet.

f)

Deferred taxation

Provision is made for corporation tax on timing differences arising from the excess of capital allowances over depreciation or on a property revaluation surplus, where it is considered that tax will be payable in the foreseeable future.

BRSL HOSPITALS LIMITED

NOTES ON THE ACCOUNTS

1. Ultimate holding company

The ultimate holding company is The British United Provident Association Limited, which is registered in England and Wales. A copy of the consolidated accounts of that company may be obtained from The Registrar of Companies, Companies House, Cardiff CF4 3UZ.

2. Profit on ordinary activities before taxation:

Profit on ordinary activities before taxation is stated after charging/(crediting):

	1991 £	1990 £
Profit on disposal of fixed asset	-	(13,301)
Staff costs	-	9,852,870
Depreciation	-	2,036,971
Rental of hospital premises	-	2,019,090
Hire of plant and equipment	-	151,726
Auditors' remuneration	-	45,862
	<u> </u>	<u> </u>

3. Tax on profit on ordinary activities

The taxation charge is based on the result for the year:

	1991 £	1990 £
Corporation tax at 33.25% (1990 - 34.25%)	<u> </u>	<u>500,430</u>

4. Extraordinary profit

	1991 £	1990 £
Profit on sale of investments acquired from other group companies	<u>3,462,920</u>	<u>-</u>
	<u>3,462,920</u>	<u>-</u>

No tax is payable on the gains arising from the sale of investments

BESL HOSPITALS LIMITED

NOTES ON THE ACCOUNTS - continued

5. Staff

The aggregate emoluments of employees of the company during the year are shown below:

	1991 £	1990 £
Wages and salaries	-	8,975,751
Social security costs	-	634,356
Pension costs	-	242,763
	<hr/>	<hr/>
	-	9,852,870
	<hr/>	<hr/>

The average number of employees during the year was Nil (1990 - 1,251), comprising:

	1991	1990
Medical staff	-	717
Non-medical staff	-	534

The Directors received no emoluments for their services (1990 - ENil).

BHSL HOSPITALS LIMITED

NOTES ON THE ACCOUNTS - continued

6. Tangible fixed assets

	Freehold property £	Long leasehold property £	Medical and other equipment £	Total £
Cost or valuation				
At 1st January 1991	15,830,383	12,669,927	10,138,881	38,639,191
Intra-group transfers	(15,830,383)	(12,669,927)	(10,138,881)	(38,639,191)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 1991	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1st January 1991	267,954	220,310	5,330,191	5,818,455
Intra-group transfers	(267,954)	(220,310)	(5,330,191)	(5,818,455)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 1991	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value at 31st December 1991	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value at 31st December 1990	15,562,429	12,449,617	4,808,690	32,820,736
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BHSL HOSPITALS LIMITED

NOTES ON THE ACCOUNTS - continued

7. Investments

Investments in Group undertakings, registered in England and Wales, consisted of ordinary shares in the following company:

At 1st January 1991	£
BUPA Wellesley Hospital Limited	
250 'B' ordinary shares at cost	1,500
1,500 'C' ordinary shares at cost	6,000
	<hr/>
	7,500
Intra-group transfers	(7,500)
	<hr/>
At 31st December 1991	-
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In addition, investments were purchased from BUPA Investments Limited during the year for £1, and were subsequently sold during the year for £3,462,921.

8. Debtors

	1991 £	1990 £
Trade debtors	-	3,259,432
Amounts owed by Group undertakings	4,088,546	28,575,494
Other debtors	-	92,165
Prepayments	-	190,494
	<hr/>	<hr/>
	4,088,546	32,117,585
	<hr/>	<hr/>

FHSL HOSPITALS LIMITED

NOTES ON THE ACCOUNTS - continued

9. Creditors

a) Falling due within one year:

	1991 £	1990 £
Bank overdraft	-	435,241
Trade creditors	-	742,792
Amounts owed to Group undertakings	1	954,349
Other creditors	-	196,441
Corporation tax	-	500,430
Accruals	-	984,720
	<u>1</u>	<u>3,813,973</u>

b) Falling due after more than one year:

	1991 £	1990 £
Loans due to parent undertaking	<u>-</u>	<u>37,780,750</u>

No interest was payable on the loans.

10. Deferred taxation

No provision for deferred tax has been made because no liability is expected to arise in the foreseeable future. The full potential liability is as follows:

	1991 £	1990 £
Property revaluation surplus	-	5,399,000
Accelerated capital allowances	-	1,504,000
	<u>-</u>	<u>6,903,000</u>

NSL HOSPITALS LIMITED

NOTES ON THE ACCOUNTS - continued

11. Share capital

	1991 £	1990 £
Authorised: 1,100,000 ordinary shares of £1 each	<u>1,100,000</u>	<u>1,100,000</u>
Allotted, called up and fully paid: 625,625 ordinary shares of £1 each	<u>625,625</u>	<u>625,625</u>

12. Reserves

	Revaluation reserve £	Profit & loss account £
Balance at 1st January 1991	20,475,120	3,385,194
Loss for the financial year	-	(20,397,394)
Transfer to profit and loss account on disposal of property	<u>(20,475,120)</u>	<u>20,475,120</u>
Balance at 31st December 1991	<u>-</u>	<u>3,462,920</u>

13. Capital commitments

	1991 £	1990 £
Contracts placed for future capital expenditure	-	120,000
Capital expenditure authorised but not contracted	<u>-</u>	<u>5,595,000</u>
	<u>-</u>	<u>5,715,000</u>

14. Contingent liabilities

Under a group registration the company is jointly and severally liable for value added tax due by certain other group companies.