

Registered number: 03192712

EUROPEAN HEALTHCARE PROPERTIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015



BAGINSKY COHEN

CHARTERED ACCOUNTANTS

EUROPEAN HEALTHCARE PROPERTIES LIMITED

COMPANY INFORMATION

Directors	B. C. FREEMAN A. CHIANG
Company secretary	A.J. BURGESS
Registered number	03192712
Registered office	930 HIGH ROAD NORTH FINCHLEY LONDON N12 9RT
Independent auditors	BAGINSKY COHEN CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS 930 HIGH ROAD LONDON N12 9RT
Bankers	NATIONAL WESTMINSTER BANK PLC 1ST FLOOR, RAPID HOUSE 40 OXFORD ROAD HIGH WYCOMBE BUCKINGHAMSHIRE HP11 2EE

EUROPEAN HEALTHCARE PROPERTIES LIMITED

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EUROPEAN HEALTHCARE PROPERTIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; 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.

Principal activity

The principal activity of the company is property investment.

Results and dividends

The profit for the year, after taxation, amounted to £210,797 (2014 - £334,542).

The directors do not recommend the payment of a dividend (2014 - £nil).

Directors

The directors who served during the year were:

B. C. FREEMAN
A. CHIANG

Disclosure 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 relevant audit information and to establish that the Company's auditors are aware of that information.

EUROPEAN HEALTHCARE PROPERTIES LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

Under section 487(2) of the Companies Act 2006, Baginsky Cohen will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 29 September 2016 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'A. Chiang', with a stylized flourish at the end.

A. CHIANG
Director

EUROPEAN HEALTHCARE PROPERTIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EUROPEAN HEALTHCARE PROPERTIES LIMITED

We have audited the financial statements of European Healthcare Properties Limited for the year ended 31 December 2015, set out on pages 5 to 15. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors' 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 Auditors

As explained more fully in the Directors' Responsibilities Statement on page 1, 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 Financial Reporting Council'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 Directors' 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 2015 and of its profit or 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 the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with those accounts. In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors Report.

EUROPEAN HEALTHCARE PROPERTIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EUROPEAN HEALTHCARE PROPERTIES LIMITED (CONTINUED)

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Jerry Michael (Senior Statutory Auditor)

for and on behalf of

BAGINSKY COHEN

CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS

930 HIGH ROAD

LONDON

N12 9RT

29 September 2016

EUROPEAN HEALTHCARE PROPERTIES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
Turnover	3	424,837	495,643
Gross profit		<u>424,837</u>	<u>495,643</u>
Administrative expenses		(86,570)	(94,059)
Operating profit	4	<u>338,267</u>	<u>401,584</u>
Interest receivable and similar income	8	-	131
Interest payable and expenses	9	(63,859)	(64,547)
Profit before tax		<u>274,408</u>	<u>337,168</u>
Tax on profit	10	(63,611)	(2,626)
Profit for the year		<u><u>210,797</u></u>	<u><u>334,542</u></u>

There were no other comprehensive income for 2015 (2014:£NIL).

The notes on pages 9 to 15 form part of these financial statements.

EUROPEAN HEALTHCARE PROPERTIES LIMITED
REGISTERED NUMBER: 03192712

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	11		4,205,888		4,252,608
			<u>4,205,888</u>		<u>4,252,608</u>
Current assets					
Debtors: amounts falling due after more than one year	12	1,404,782		907,445	
Debtors: amounts falling due within one year	12	-		40,246	
			<u>1,404,782</u>	<u>947,691</u>	
Creditors: amounts falling due within one year	13	(64,611)		(2,000)	
Net current assets			<u>1,340,171</u>		<u>945,691</u>
Total assets less current liabilities			<u>5,546,059</u>		<u>5,198,299</u>
Creditors: amounts falling due after more than one year	14		(3,823,227)		(3,686,264)
Net assets			<u><u>1,722,832</u></u>		<u><u>1,512,035</u></u>
Capital and reserves					
Called up share capital	16		1		1
Profit and loss account	17		1,722,831		1,512,034
			<u><u>1,722,832</u></u>		<u><u>1,512,035</u></u>

The were approved and authorised for issue by the board and were signed on its behalf on 29 September 2016.



A. CHIANG
Director

The notes on pages 9 to 15 form part of these financial statements.

EUROPEAN HEALTHCARE PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	1	1,512,034	1,512,035
Profit for the year	-	210,797	210,797
At 31 December 2015	<u>1</u>	<u>1,722,831</u>	<u>1,722,832</u>

EUROPEAN HEALTHCARE PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2014	1	1,177,492	1,177,493
Profit for the year	-	334,542	334,542
At 31 December 2014	<u>1</u>	<u>1,512,034</u>	<u>1,512,035</u>

The notes on pages 9 to 15 form part of these financial statements.

EUROPEAN HEALTHCARE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 19.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Revenue recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

1.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

1.4 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

1.5 Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in administrative expenses.

EUROPEAN HEALTHCARE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.6 Finance costs

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.7 Taxation

Tax is recognised in the Profit and Loss Account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. Turnover

All turnover arose within the United Kingdom.

4. Operating profit

The operating profit is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets	46,720	46,721
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	3,000	3,000

EUROPEAN HEALTHCARE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

5. Auditors' remuneration

	2015 £	2014 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	3,000	3,000
	<u>3,000</u>	<u>3,000</u>
Fees payable to the Company's auditor and its associates in respect of:		
Other services relating to taxation	600	600
All other services	373	353
	<u>973</u>	<u>953</u>

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2014 - £NIL).

7. Directors' remuneration

The remuneration of the directors was paid by European Healthcare Group PLC, the immediate parent undertaking. The directors were also directors of a number of other fellow subsidiary undertakings and it is not possible to make an accurate apportionment of their remuneration in respect of each of the subsidiary undertakings. Accordingly, the emoluments of the Directors are disclosed within the accounts of European Healthcare Group PLC.

8. Interest receivable

	2015 £	2014 £
Other interest receivable	-	131
	<u>-</u>	<u>131</u>

9. Interest payable and similar charges

	2015 £	2014 £
Group interest payable	63,859	64,547
	<u>63,859</u>	<u>64,547</u>

EUROPEAN HEALTHCARE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

10. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	63,611	80,715
Adjustments in respect of previous periods	-	(78,089)
Total current tax	63,611	2,626

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 21.5%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	274,408	337,168
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 21.5%)	54,882	72,491
Effects of:		
Depreciation for year in excess of capital allowances	7,955	8,224
Adjustments to tax charge in respect of prior periods	774	(78,089)
Total tax charge for the year	63,611	2,626

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

EUROPEAN HEALTHCARE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

11. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 January 2015	4,345,979
	<hr/>
At 31 December 2015	4,345,979
	<hr/>
Depreciation	
At 1 January 2015	93,371
Charge owned for the period	46,720
	<hr/>
At 31 December 2015	140,091
	<hr/>
Net book value	
At 31 December 2015	4,205,888
	<hr/>
At 31 December 2014	4,252,608
	<hr/>

12. Debtors

	2015 £	2014 £
Due after more than one year		
Amounts owed by group undertakings	1,404,782	907,445
	<hr/>	<hr/>
Due within one year		
Other debtors	-	40,246
	<hr/>	<hr/>

EUROPEAN HEALTHCARE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

13. Creditors: Amounts falling due within one year

	2015 £	2014 £
Corporation tax	63,611	-
Accruals and deferred income	1,000	2,000
	<u>64,611</u>	<u>2,000</u>

14. Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Amounts owed to group undertakings	<u>3,823,227</u>	<u>3,686,264</u>

15. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>1,404,782</u>	<u>947,691</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(3,824,227)</u>	<u>(3,688,264)</u>

Financial assets measured at amortised cost comprise amounts owed by group undertakings.

Financial Liabilities measured at amortised cost comprise amounts owed to group undertakings.

16. Share capital

	2015 £	2014 £
Shares classified as equity		
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

17. Reserves

Profit & loss account

This includes all current and prior period retained profit and losses.

EUROPEAN HEALTHCARE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

18. Controlling party

The company's immediate parent company is European Healthcare Group PLC, a company registered in England and Wales. The ultimate parent undertaking and controlling party is Givril Investment SA, a company incorporated in the Republic of Panama.

Copies of the immediate parent company's financial statements can be obtained from that company's registered office.

19. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.