

# **Westminster Securitisation Limited**

Directors' report and financial statements

Period from 1 September 1999 (date of  
incorporation) to 31 December 2000

Registered number 3836877



## Contents

Directors' report	1
Statement of directors' responsibilities	3
Report of the auditors to the members of Westminster Securitisation Limited	4
Profit and loss account	5
Balance sheet	6
Notes	7

## Directors' report

The directors present their report and the audited financial statements for the period from 1 September 1999 (date of incorporation) to 31 December 2000.

### Principal activities

The company is a holding company and through its subsidiaries is engaged in the management of purpose built facilities for long term care for the elderly and in the sale of highly sheltered housing to the frail and elderly on long leases.

### Business review

The results for the period are set out in the profit and loss account on page 5. On 5 November 1999, as part of the securitisation of the Group's nursing home portfolio, the company acquired the entire issued share capital of the following companies from Westminster Beaumont Limited (a fellow subsidiary undertaking):

	Consideration £
Westminster Beaumont Properties Limited	1,692,000
Westminster Beaumont Properties (Chorleywood) Limited	844,000
Westminster Beaumont Properties (Southgate) Limited	706,000
Westminster Beaumont Properties (Edgbaston) Limited	55,000

The consideration for the above was satisfied by the issue of 3,297,000 shares in the company.

On that date, the company also acquired the entire issued share capital of Westminster Health Care Limited from Westminster Health Care Group Limited (a fellow subsidiary undertaking) for a consideration of £54,634,699 - the consideration was satisfied by the issue of 54,634,699 shares in the company.

In addition, on 5 November 1999 the company subscribed for the entire issued share capital of Westminster Health Care Finance Limited for a debt left outstanding of £1,000.

### Dividends

Dividends amounting to £32,066,000 were paid during the period.

## Directors' report *(continued)*

### Directors and directors' interests

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

Anthony Heywood	(appointed 1 September 1999)
Dr Chaitanya Patel	(appointed 1 September 1999)
Stephen Purse	(appointed 1 September 1999, resigned 7 March 2000)
James Weight	(appointed 11 December 2000)
SPV Management Limited	(appointed 29 October 1999)

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 interests in the shares of the company. The interests of the directors in the share capital of Westminster Health Care Holdings Limited, the ultimate parent company, were as follows:

	Interest at end of the period		Interest at start of period or date of appointment	
	A shares	B shares	A shares	B shares
Dr Chaitanya Patel	909,278	9	909,278	9
Anthony Heywood	75,773	1	75,773	1
Jim Weight	15,155	-	-	-

### 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



**Jon Hather**  
*Secretary*

Westminster House  
 Randalls Way  
 Leatherhead  
 Surrey  
 KT22 7TZ

13 July 2001

## 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 period. 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 auditors to the members of Westminster Securitisation Limited

We have audited the financial statements on pages 5 to 9.

### 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. 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 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 2000 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

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

8 Salisbury Square  
London  
EC4Y 8BB

13 July 2001

## Profit and loss account

*for the period from 1 September 1999 to 31 December 2000*

	<i>Note</i>	Period from 1 September 1999 to 31 December 2000 £000
<b>Operating profit</b>		-
Income from shares in group undertakings		32,066
		<hr/>
<b>Profit on ordinary activities before taxation</b>		32,066
Tax on profit on ordinary activities	4	-
		<hr/>
<b>Profit for the financial year</b>		32,066
Dividend paid		(32,066)
		<hr/>
<b>Retained profit for the financial year</b>		-
		<hr/> <hr/>

The company has no recognised gains or losses other than the profit for the period.


The historical cost profit and the reported profit are the same.

The results for the period derive from continuing activities.

**Balance sheet**  
*at 31 December 2000*

	<i>Note</i>	<b>£000</b>	<b>2000 £000</b>
<b>Fixed assets</b>			
Investments	5		57,933
			<hr/> 57,933
<b>Creditors: amounts falling due within one year</b>	6	(1)	
		<hr/>	
<b>Net current liabilities</b>			(1)
			<hr/>
<b>Net assets</b>			57,932
			<hr/>
<b>Capital and reserves</b>			
Called up share capital	7		57,932
Profit and loss account	8		-
			<hr/>
<b>Shareholders' funds – equity</b>	8		57,932
			<hr/>

These financial statements were approved by the board of directors on 13 July 2001 and were signed on its behalf by:

  
**J Weight**  
 Director



## 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.

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 Westminster Health Care Holdings Limited, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

#### ***Fixed assets***

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

#### ***Taxation***

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

### 2 Profit on ordinary activities before taxation

The cost of the auditors' remuneration was borne by another group company.

### 3 Remuneration of directors

The directors received no emoluments for services to the company during the period.

## Notes (continued)

### 4 Taxation

Period from 1 September 1999  
to 31 December 2000  
£000

Corporation tax on income for the period at 30%

-

### 5 Fixed asset investments

Total  
£000

#### *Shares in group undertakings*

#### *Cost*

Additions

57,933

At end of the year

57,933

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

	Principal activities	Class and percentage of share held
<i>Subsidiary undertakings</i>		
Westminster Health Care Finance Limited	Financing	100% ordinary
Westminster Health Care Limited	Senior Living services	100% ordinary
Westminster Beaumont Properties Limited	Senior Living services	100% ordinary
Westminster Beaumont Properties (Chorleywood) Limited	Senior Living services	100% ordinary
Westminster Beaumont Properties (Edgbaston) Limited	Senior Living services	100% ordinary
Westminster Beaumont Properties (Southgate) Limited	Senior Living services	100% ordinary

All subsidiary undertakings are registered in England and Wales with the exception of Westminster Health Care Finance Limited which is registered in the Cayman Islands.

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

2000  
£000

Amounts owed to group undertakings

1

## Notes (continued)

### 7 Called up share capital

	2000 £000
<i>Authorised</i>	
80,000,000 ordinary shares of £1 each	80,000
	<hr/>
<i>Allotted, called up and fully paid</i>	
57,931,700 ordinary shares of £1 each	57,932
	<hr/>
	Number
<i>Movement in ordinary shares during the period</i>	
Subscriber share	1
Issue of shares	57,931,699
	<hr/>
	57,931,700
	<hr/>

On 5 November 1999, 57,931,699 ordinary £1 shares were issued fully paid in consideration for the acquisition of a number of companies from fellow subsidiary undertakings, details of which are given in the directors' report.

### 8 Reconciliation of movement in shareholders' funds

	Share capital £000	Profit and loss account £000	2000 Total £000
Issue of shares	57,932	-	57,932
Retained profit for the period	-	-	-
	<hr/>	<hr/>	<hr/>
At end of the period	57,932	-	57,932
	<hr/>	<hr/>	<hr/>

### 9 Contingent liabilities

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 £nil at 31 December 2000.

### 10 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, 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 Westminster Health Care Holdings Limited. No other group accounts include the results of the company.