

Company Registration No. 03921792 (England and Wales)

**CAS ST PAUL'S LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**



# **CAS ST PAUL'S LIMITED**

## **COMPANY INFORMATION**

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### **Directors**

Dr Antonio Romero  
Mr Mark Ground  
Mr Michael McQuaid  
Mr Thomas Day

### **Secretary**

Mr Anthony Coleman

### **Company number**

03921792

### **Registered office**

Nepicar House  
London Road  
Wrotham Heath  
Sevenoaks  
Kent  
England  
TN15 7RS

### **Accountants**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RH

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# **CAS ST PAUL'S LIMITED**

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# **CAS ST PAUL'S LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present their annual report and financial statements for the year ended 31 December 2020.

#### **Principal activities**

The principal activity of the company continued to be that of investment in fit for purpose, well designed, high quality properties to be used in the provision of specialist behavioural healthcare services in the learning disabilities sector. The company generates rental income from other group undertakings.

#### **Results and dividends**

The results for the year are set out on page 5.

No ordinary dividends were paid during the year (2019: £nil). The directors do not recommend payment of a final dividend (2019: £nil).

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Dr Antonio Romero

Mr Mark Ground

Mr Michael McQuaid

Mr Gerald Corbett

(Resigned 19 July 2021)

Mr Thomas Day

(Appointed 30 July 2021)

#### **Qualifying third party indemnity provisions**

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the reporting date.

#### **Financial and business risk management**

The group's activities expose it to a variety of financial risks that include market and external risks, liquidity risk, interest rate risk, credit risk and data risk:

# CAS ST PAUL'S LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Market and external risks**

The business operates in a highly competitive market. Most competition is based on local catchment areas and the funding body's procurement initiatives with the NHS and Local Authorities. Our business continues to be supported by strong relationships with customers, and we continue to work with our regulators aiming to be the market leader in our sector in delivery of clinical quality.

Cygnnet monitors competition closely to ensure that it remains competitive in the market place. We are pleased to be partnering with our commissioners on working together in new innovative ways, and we continue to invest in capital expenditure to maintain existing sites, and to develop further capacity.

Cygnnet manages the risk associated with demand fluctuations by offering diversified services and monitoring demand, converting unused capacity to alternative services when appropriate. Cygnnet monitors prices charged both internally and externally to ensure that its services are appropriately priced to compete and provide value for customers.

There are also other external risks that Cygnnet is exposed to, for example the effects of Brexit. By working with our key suppliers and storing additional inventory of high risk items Cygnnet's supply of essential products have remained readily available. Also, whilst only a small proportion of Cygnnet's workforce are from the European Union, the end of free movement between the European Union and the United Kingdom may cause a tightening of the labour market.

Another external risk is the effects of COVID-19. Cygnnet's focus continues to keep those in our care, and our staff as protected and safe as possible. Cygnnet tracks the situation and its recovery to help ensure business continuity and adaptation to the evolving situation. Cygnnet is informed of government guidance and able to respond to the guidance as it changes. Cygnnet places significant emphasis on supporting the workforce, patients and residents of services to become protected through acceptance of the Covid vaccination. In addition to vaccination we continue to focus on surveillance of the workforce and users of services through regular testing. In addition Cygnnet provides PCR testing to all patients and residents in accordance with national guidance.

# **CAS ST PAUL'S LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### ***Liquidity risk***

Cygnnet relies on publicly funded entities in the UK such as the NHS, Clinical Commissioning Groups (CCGs) and Local Authorities for substantially all of its revenues and the loss or reduction of such funding, or changes in procurement methods, could negatively impact the company's occupancy rates which could have corresponding material adverse effects on liquidity.

The Group monitors cash flow to ensure it has sufficient available funds for operations and planned expansions, and adapts its service provision depending on what is required. Cygnnet is supported by its long term strategic partner Universal Health Services Inc. ("UHS"), the leading provider of behavioural health care in the USA.

#### ***Interest rate risk***

Other than funding from its strategic partner Universal Health Services Inc., the group has no other external funding attracting interest, and therefore has limited exposure to interest rate risk.

#### ***Credit risk***

The Group has limited credit risk, as the majority of income is due from the NHS, Local Authorities and CCG's.

#### ***Data risk***

The security and availability of operational data is essential and system security hardware and software are used to achieve this.

Cygnnet takes its data protection responsibilities very seriously and is committed to operating within the necessary regulatory boundaries of the data protection legislation. Cygnnet is aware of the requirements and is keeping its data protection and governance practices up to date accordingly.

Cygnnet continued to invest its cash flow in operational infrastructure, its IT and systems infrastructure.

#### ***Parent guarantee***

In accordance with section 476 the members have not required the company to obtain an audit of its accounts for the year ended 31 December 2020. This is due to its ultimate parent company, Universal Health Services Inc. providing a parent company guarantee over the company. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

#### ***Going concern***

The directors have received a letter from Cygnnet Health UK Limited indicating their intention to: (1) continue to provide the financial resources necessary to support the company in meeting its liabilities as and when they fall due for a period of at least one year from the date of signing of the company's financial statements for the year ended 31 December 2020; and (2) not to require settlement of outstanding intercompany balances to the extent that money is not, at the relevant settlement date, otherwise available to the company to meet such liabilities for a period of at least one year from the date of signing of the company's financial statements for the year ended 31 December 2020. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so and they have reviewed the consolidated group cash flow forecasts for the entity providing the letter of support extending 12 months from signing date and have concluded there are adequate resources to support the company as a going concern as well as all other subsidiaries to whom support is being provided for this period.

#### ***Future developments***

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

# **CAS ST PAUL'S LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors' report was approved by the Board of Directors on 30 July 2021 and signed on its behalf by



Dr Antonio Romero  
**Director**  
30 July 2021



Mr Mark Ground  
**Director**  
30 July 2021

Nepicar House  
London Road  
Wrotham Heath  
Sevenoaks  
Kent  
TN15 7RS

# CAS ST PAUL'S LIMITED

## INCOME STATEMENT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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		<b>2020</b>	<b>2019</b>
	<b>Notes</b>	<b>£'000</b>	<b>£'000</b>
Revenue		6,925	6,833
Operating expenses		(31)	(1,061)
		<hr/>	<hr/>
Operating profit	<b>2</b>	6,894	5,772
Tax on profit	<b>5</b>	(150)	(46)
		<hr/>	<hr/>
Profit for the financial year		6,744	5,726
		<hr/>	<hr/>

The income statement has been prepared on the basis that all operations are continuing operations.

The accompanying notes on pages 9 to 19 form part of the financial statements.

There is no other comprehensive income for the year.



# CAS ST PAUL'S LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £'000	2019 £'000
<b>Fixed assets</b>			
Property, plant and equipment	6	143	174
Investment property	7	32,156	32,156
Investments	8	-	-
		<u>32,299</u>	<u>32,330</u>
<b>Current assets</b>			
Trade and other receivables	9	34,010	27,085
Cash and cash equivalents		8	8
		<u>34,018</u>	<u>27,093</u>
<b>Current liabilities</b>			
Trade and other payables		8	8
		<u>8</u>	<u>8</u>
<b>Net current assets</b>		<u>34,010</u>	<u>27,085</u>
<b>Total assets less current liabilities</b>		<u>66,309</u>	<u>59,415</u>
<b>Provisions for liabilities</b>			
Deferred tax liabilities	10	789	639
		<u>789</u>	<u>639</u>
<b>Net assets</b>		<u>65,520</u>	<u>58,776</u>
<b>Equity</b>			
Called up share capital	11	9,213	9,213
Share premium account		432	432
Retained earnings		55,875	49,131
		<u>65,520</u>	<u>58,776</u>
<b>Total equity</b>		<u>65,520</u>	<u>58,776</u>

For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

## **CAS ST PAUL'S LIMITED**

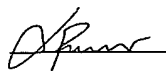
### **STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 31 DECEMBER 2020**

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The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The financial statements on pages 5 to 19 were approved by the Board of Directors on 30 July 2021 and signed on its behalf by:



**Dr Antonio Romero**  
**Director**



**Mr Mark Ground**  
**Director**

The accompanying notes on pages 9 to 19 form part of the financial statements.

**Company Registration No. 03921792**

# CAS ST PAUL'S LIMITED

## STATEMENT OF CHANGES IN EQUITY

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Share capital	Share premium account	Retained earnings	Total equity
	£'000	£'000	£'000	£'000
<b>Balance at 1 January 2019</b>	9,213	432	43,405	53,050
<b>Year ended 31 December 2019:</b>				
Profit for the year	-	-	5,726	5,726
<b>Balance at 31 December 2019</b>	9,213	432	49,131	58,776
<b>Year ended 31 December 2020:</b>				
Profit for the year	-	-	6,744	6,744
<b>Balance at 31 December 2020</b>	9,213	432	55,875	65,520

The accompanying notes on pages 9 to 19 form part of the financial statements.

# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Company information

CAS St Paul's Limited is a private company limited by shares incorporated in England and Wales. The registered office is Nepicar House, London Road, Wrotham Heath, Sevenoaks, Kent, England, TN15 7RS. The company's principal activities and nature of its operations are disclosed in the directors' report.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below, and remain consistent with the prior year, unless stated otherwise.

Where relevant, the company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Cygnet Health UK Limited in which the entity is consolidated;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member ; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

Where required, equivalent disclosures are given in the group financial statements of Cygnet Health UK Limited. The group financial statements of Cygnet Health UK Limited are available to the public and can be obtained as set out in note 13.

# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1.2 Going concern

The directors have received a letter from Cygnet Health UK Limited indicating their intention to: (1) continue to provide the financial resources necessary to support the company in meeting its liabilities as and when they fall due for a period of at least one year from the date of signing of the company's financial statements for the year ended 31 December 2020; and (2) not to require settlement of outstanding intercompany balances to the extent that money is not, at the relevant settlement date, otherwise available to the company to meet such liabilities for a period of at least one year from the date of signing of the company's financial statements for the year ended 31 December 2020. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so and they have reviewed the consolidated group cash flow forecasts for the entity providing the letter of support extending 12 months from signing date and have concluded there are adequate resources to support the company as a going concern as well as all other subsidiaries to whom support is being provided for this period.

##### 1.3 Revenue

Revenue for the provision of rental services is recognised on a straight-line basis over the period of the lease and arises entirely from the United Kingdom.

##### 1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured at cost, net of depreciation any impairment losses.

In accordance with IAS 40 the cost model has been adopted and therefore depreciation is charged to the income statement to write off the cost less the estimated residual value on a straight line basis over the estimated useful lives of each part of an item of property. Historically the residual value for investment property has been zero but in 2020 this has been revised to be the indexed base cost of the property. The estimated useful life of investment property is 40 years.

##### 1.5 Impairment of tangible assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

##### 1.6 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13.

# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.8 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

##### *Financial assets at fair value through profit or loss*

Financial assets are classified as at FVTPL when the financial asset is held for trading. This is the case if:

- the asset has been acquired principally for the purpose of selling in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Interest and dividends are included in 'Investment income' and gains and losses on remeasurement included in 'other gains and losses' in the statement of comprehensive income.

##### *Loans and receivables*

Trade Receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

##### *Impairment of financial assets*

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### ***Derecognition of financial assets***

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

##### ***Initial measurement of financial assets***

Under IFRS 9 financial asset are initially classified and measured at fair value, with any changes in fair value going through the profit or loss as they arise (FVTPL), unless criteria are met that allow the instrument to be classified and measured at either amortised costs or fair value through other comprehensive income (FVOCI). Financial assets not classified as FVTPL are initially measured at fair value plus transaction costs.

Financial assets are classified and measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are classified and measured at FVOCI if they are held in a business model whose objectives is achieved by collection contractual cash follows and selling financial assets.

##### ***Loans and receivables***

The business model under which the trade receivables are held is to collect contractual cash flows that are solely payments of principle and interest. Therefore trade receivables are measured at amortised cost.

##### ***Impairment of financial assets***

Financial assets, other than those measured FVTPL, are assessed for indicators of impairment at each reporting date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.9 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

##### *Financial liabilities at fair value through profit or loss*

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- On initial recognition it is part of a portfolio of identified financial instruments that the company manages together and had recent actual pattern of short-term profit taking, or
- It is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

##### *Other financial liabilities*

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.



# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

###### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

##### 1.11 Significant accounting policies and accounting estimates and judgements

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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 revision and future periods if the revision affects both current and future periods.

The directors believe there have been judgements or estimates made by management in the application of property, plant and equipment, tax, preparation on going concern basis, and fair value measurement.

##### 1.12 New standards

There are no new accounting standards or amendments to existing accounting standards or IFRIC interpretations that are effective for the year ended 31 December 2020 that have had a material impact on the company's financial statements.

# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 2 Operating profit

	2020	2019
	£'000	£'000
Operating profit for the year is stated after charging:		
Depreciation of property, plant and equipment	31	34
Depreciation of investment property	-	1,027
	<u>          </u>	<u>          </u>

### 3 Employees

The directors did not receive emoluments for their services directly from this company which are deemed to be of negligible value. However, the directors received remuneration for services to Cygnet Health Care Limited of which CAS St Paul's Limited is a fellow subsidiary undertaking.

### 4 Auditors' remuneration

	2020	2019
	£'000	£'000
Fees payable to the company's auditors:		
For audit services		
Audit of the financial statements of the company	-	1
	<u>          </u>	<u>          </u>

CAS St Paul's Limited is exempt from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies using a parent company guarantee, as such no audit fees were charged to CAS St Paul's in the current year.

The remuneration of the auditors in the prior year was borne by another group company. The amount disclosed above is management's best estimate of the proportion relating to this company.

### 5 Income tax expense

	2020	2019
	£'000	£'000
Deferred tax		
Origination and reversal of temporary differences	150	46
	<u>          </u>	<u>          </u>

# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 5 Income tax expense

(Continued)

The charge for the year can be reconciled to the profit per the income statement as follows:

	2020 £'000	2019 £'000
Profit before taxation	6,894	5,772
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	1,310	1,097
Group relief	(1,384)	(1,309)
Depreciation on assets not qualifying for tax allowances	5	161
Differences in tax rates	75	(6)
Transfer pricing adjustment	144	103
<b>Taxation charge for the year</b>	<b>150</b>	<b>46</b>

The Spring Budget 2021 announced that the UK corporation tax rate will increase to 25% from 1 April 2023. The deferred tax assets and liabilities of UK companies within the Group have been calculated at 19% as this rate has been substantively enacted at the balance sheet date. Had the 25% rate been substantively enacted on or before 31 December 2020 it would have had the effect of increasing the net deferred tax liability by £249k.

#### 6 Property, plant and equipment

	Plant and equipment £'000
<b>Cost</b>	
At 31 December 2019	364
At 31 December 2020	364
<b>Accumulated depreciation</b>	
At 31 December 2019	190
Charge for the year	31
At 31 December 2020	221
<b>Carrying amount</b>	
At 31 December 2020	143
At 31 December 2019	174

# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 7 Investment property

	2020 £'000
<b>Cost</b>	
At 1 January 2020 and 31 December 2020	43,801
<b>Accumulated depreciation</b>	
At 1 January 2020 and 31 December 2020	11,645
<b>Carrying value</b>	
At 31 December 2020	32,156
At 31 December 2019	32,156

During the year, the company received £6,925k (2019: £6,833k) from operating lease rentals of investment property.  
Fair value of investment property is £52,327k (2019: £51,410k).

#### 8 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Ownership interest (%)	Voting power held (%)	Nature of business
CAS Aspirations Properties V Limited	Jersey	100	100	Non trading

Registered office address for above subsidiary is 9 Burrard Street, St Helier, Jersey, JE4 5UE.  
The value of investments held in the company is £1.

#### 9 Trade and other receivables

	2020 £'000	2019 £'000
Amounts owed by fellow group undertakings	34,010	27,085

The amounts owed by Group undertakings are legally repayable on demand (and hence are disclosed as current assets), however, it is not expected that a demand for these amounts will be made within the next year. Amounts due from group undertakings do not attract interest.

# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 10 Deferred taxation

The following are the major deferred tax liabilities recognised by the company and movements thereon during the current and prior reporting year.

	Accelerated capital allowances £'000
Deferred tax liability at 1 January 2019	593
<b>Deferred tax movements in prior year</b>	
Debit to profit or loss	46
	<hr/>
Deferred tax liability at 31 December 2018	639
<b>Deferred tax movements in current year</b>	
Debit to profit or loss	150
	<hr/>
Deferred tax liability at 31 December 2020	789
	<hr/> <hr/>

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

	2020 £'000	2019 £'000
Deferred tax liabilities	789	639
	<hr/> <hr/>	<hr/> <hr/>
<b>11 Called up share capital</b>	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
<b>Ordinary share capital</b>		
<i>Issued and fully paid</i>		
18,425,502 Ordinary (2019: 18,425,502) of £0.50 each	9,213	9,213
	<hr/> <hr/>	<hr/> <hr/>

Each ordinary share carries one vote. The ordinary shares rank pari passu in all respects and carry the sole right to participate in any distributions, as respects dividends and as respects capital (including on a winding up) are not redeemable.

# CAS ST PAUL'S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 12 Other leasing information

#### Lessor

Operating leases relate to investment property owned by the Company with lease terms of 35 years. Total future minimum lease receivables under non-cancellable operating leases are as follows:

	2020 £'000	2019 £'000
Within one year	6,925	6,693
Between two and five years	27,700	26,770
Over five years	145,423	151,028
Total undiscounted lease payments receivable	180,048	184,491

Future minimum lease payments relating to land and buildings are receivable from Group companies.

### 13 Controlling party

The largest group in which the results of the company are consolidated is that headed by Universal Health Services Inc., a company incorporated in the US. The smallest in which they are consolidated is headed by Cygnet Health UK Limited. The consolidated financial statements of these groups are available to the public. Universal Health Services Inc. financial statements may be obtained from <http://www.uhsinc.com/> and Cygnet Health UK Limited financial statements may be obtained from:

Nepicar House  
London Road  
Wrotham Heath  
Sevenoaks  
Kent, TN15 7RS

### 14 Related party transactions

The ultimate controlling party of the company is Universal Health Services Inc., and the UK ultimate parent of the Company is UK Acquisitions No.6 Limited. The registered office of the ultimate controlling party is 367 South Gulph Road, King of Prussia, PA 19406.

#### Identity of related parties

The company has a related party relationship with its parent undertaking, the parent's subsidiaries, its own subsidiaries and with its directors.

The company has applied the exemption available under FRS 101 in respect of transactions with wholly owned subsidiaries.

#### Other related party transactions

There were no other related party transactions during the current or preceding year.