REGISTERED NUMBER: 04298662

WILLCARE HOLDINGS LIMITED

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2016

DIRECTORS:	J P George D W Davies
SECRETARY:	G M Gatty
REGISTERED OFFICE:	128 Buckingham Palace Road London SW1W 9SA
REGISTERED NUMBER:	04298662
AUDITORS:	Wilkins Kennedy LLP Statutory Auditor Chartered Accountants Bridge House London Bridge London SE1 9QR

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

The directors present their report with the financial statements of the company for the year ended 30 September 2016.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of an investment holding company.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 October 2015 to the date of this report.

J P George
D W Davies

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.
This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

....
D W Davies - Director

Date: 28 · 6 · 17

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WILLCARE HOLDINGS LIMITED

We have audited the financial statements of Willcare Holdings Limited for the year ended 30 September 2016 on pages four to sixteen. The financial reporting framework that has been applied in their preparation is 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'.

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 Auditing Practices Board'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 Report of the Directors 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 30 September 2016 and of its profit 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Wilkins Kennedy LLP

Nicholas Parrett (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Bridge House
London Bridge
London
SE1 9QR

Date: 28/6/17

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Notes	2016 £	2015 £
TURNOVER		-	-
OPERATING PROFIT		-	-
Interest receivable and similar income		234,507	242,669
		234,507	242,669
Fair value movements on investments		550,345	822,032
		784,852	1,064,701
Interest payable and similar expenses		234,507	242,669
PROFIT BEFORE TAXATION		550,345	822,032
Tax on profit	3	(19,000)	(59,000)
PROFIT FOR THE FINANCIAL YEAR		569,345	881,032
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		569,345	881,032

The notes form part of these financial statements

WILLCARE HOLDINGS LIMITED (REGISTERED NUMBER: 04298662)

BALANCE SHEET
30 SEPTEMBER 2016

	Notes	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Investments	4		**13,384,482**		12,897,609
CURRENT ASSETS					
Cash at bank		**420**		420	
CREDITORS					
Amounts falling due within one year	5	**55,277**		63,472	
NET CURRENT LIABILITIES			**(54,857)**		(63,052)
TOTAL ASSETS LESS CURRENT LIABILITIES			**13,329,625**		12,834,557
CREDITORS					
Amounts falling due after more than one year	6		**(1,571,639)**		(1,626,916)
PROVISIONS FOR LIABILITIES	9		**(1,997,000)**		(2,016,000)
NET ASSETS			**9,760,986**		9,191,641
CAPITAL AND RESERVES					
Called up share capital	10		**10,420**		10,420
Fair value reserve	11		**9,750,566**		9,181,221
SHAREHOLDERS' FUNDS			**9,760,986**		9,191,641

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 28.6.17 and were signed on its behalf by:

D W Davies - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Called up share capital £	Retained earnings £	Fair value reserve £	Total equity £
Balance at 1 October 2014	10,420	-	8,300,189	8,310,609
Changes in equity				
Total comprehensive income	-	-	881,032	881,032
Balance at 30 September 2015	10,420	-	9,181,221	9,191,641
Changes in equity				
Total comprehensive income	-	-	569,345	569,345
Balance at 30 September 2016	10,420	-	9,750,566	9,760,986

The notes form part of these financial statements

1. **COMPANY INFORMATION**

Willcare Holdings Limited is a limited liability company registered in England and Wales. The registered office is 128 Buckingham Palace Road, London, SW1W 9SA.

2. **ACCOUNTING POLICIES**

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

The financial statements are presented in Sterling (£) which is also the functional currency of the company.

The company transitioned from previously extant UK GAAP to FRS 102 as at 1 October 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in pages 14-16.

Going Concern
The company has long term funding in place and has a detailed financial model on which its future operations are based. The directors have considered the company's projected income and cash flows in the short and medium term and they consider that these projections, together with available loan finance, will enable the company to trade for the foreseeable future and to meet its liabilities as they fall due.

Disclosure Exemptions

Exemption has been taken from preparing a cash flow statement on the grounds that the company is considered to be small under the provisions of the Companies Act 2006.

Preparation of consolidated financial statements
The financial statements contain information about Willcare Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Interest income
Interest income is recognised using the effective interest method.

Taxation
Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and *other deferred tax assets are recognised only to the extent that it is probably that they will be recovered against* future taxable profits or against the reversal of deferred tax liabilities.

Deferred tax relating to a non-depreciable asset that is measured using the revaluation model, or to investment properties measured at fair value, is measured using the tax rates and allowances that apply to the sale of the asset.

In a business combination, a deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of that difference. The amount that is attributable to goodwill is adjusted by the amount of the deferred tax recognised.

Deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

continued...

2. **ACCOUNTING POLICIES - continued**

Fixed asset investments
Investments in shares in group undertakings are stated at directors' valuation based on the net present value of future returns using the industry average discounting factor of 7%, where future returns can be anticipated with certainty.

Loans provided to subsidiary companies included within fixed asset investments are stated at the aggregate of amounts issued, accrued interest receivable at the balance sheet date, less capital and interest payments received.

Other investments are stated at cost less any permanent diminution in value.

Trade and other debtors
Trade and other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest. Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Trade and other creditors
Trade and other creditors are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Provisions
Provisions are recognised when the company has a present obligation (legal or constructive) as a results of a past event, it is probable that the company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at the present value using a pre-tax discount code rate. The unwinding of the discount is recognised as a finance costs in profit or loss in the period it arises.

Judgements and key sources of estimation uncertainty
The preparation of financial statements requires management 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 a continuing 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.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Valuation of investment in subsidiary
Directors valuation based on the net present value of future returns using the industry average discounting factor of 7%, where future returns can be anticipated with certainty.

continued...

3. TAXATION

Analysis of the tax credit
The tax credit on the profit for the year was as follows:

	2016	2015
	£	£
Deferred tax	**(19,000)**	(59,000)
Tax on profit	**(19,000)**	(59,000)

Reconciliation of total tax credit included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016	2015
	£	£
Profit before tax	**550,345**	822,032
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	**110,069**	164,406
Effects of:		
Fair value adjustment	**(110,069)**	(164,406)
Movement on deferred taxation	**(19,000)**	(59,000)
Total tax credit	**(19,000)**	(59,000)

4. FIXED ASSET INVESTMENTS

	2016	2015
	£	£
Shares in group undertakings	**11,757,566**	11,207,221
Loans to group undertakings	**1,626,916**	1,690,388
	13,384,482	12,897,609

Additional information is as follows:

	Shares in group undertakings £
COST OR VALUATION	
At 1 October 2015	**11,207,221**
Fair value movement	**550,345**
At 30 September 2016	**11,757,566**
NET BOOK VALUE	
At 30 September 2016	**11,757,566**
At 30 September 2015	11,207,221

continued...

4. **FIXED ASSET INVESTMENTS - continued**

Cost or valuation at 30 September 2016 is represented by:

	Shares in group undertakings £
Valuation in 2013	7,169,744
Valuation in 2014	3,205,445
Valuation in 2015	822,032
Valuation in 2016	550,345
Cost	10,000
	11,757,566

If fixed asset investments had not been revalued they would have been included at the following historical cost:

	2016 £	2015 £
Cost	10,000	10,000

Fixed asset investments were valued on a future cash flows basis on 30 September 2016 by the company's directors.

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Willcare (MIM) Limited
Registered office:
Nature of business: Property investment and management

Class of shares:	% holding
Ordinary	100.00

	2016 £	2015 £
Aggregate capital and reserves	60,806	1,144,956
(Loss)/profit for the year	(1,084,150)	494,028

Willcare (MIM) Limited is a Special Purpose Vehicle for a development under the Private Finance Initiative and accordingly losses are expected in the early years of the contract. The directors do not consider the net asset deficiency to be permanent and therefore a provision has not been made.

The company held £1,395,000 Series 1 subordinated loan notes, £500,000 Series 2 loan notes and £59,580 Series 3 subordinated loan notes in Willcare (MIM) Limited. The Series 1 and Series 3 subordinated loan notes attract interest at 14% per annum from the date of building services completion, which was 31 March 2005.

The Series 2 subordinated loan notes attract interest at 7% per annum from commencement of the loan in December 2002 until the date of completion, and 14% thereafter. Interest is to be capitalised until the date of completion.

The loan notes are repayable in six monthly instalments commencing September 2005 until the termination date, which is defined as March 2032.

4. **FIXED ASSET INVESTMENTS - continued**

	Loans to group undertakings £
At 1 October 2015	**1,690,388**
Repayment in year	**(297,979)**
Interest charged	**234,507**
At 30 September 2016	**1,626,916**

5. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Other loans (see note 7)	**55,277**	63,472

6. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2016 £	2015 £
Other loans (see note 7)	**1,571,639**	1,626,916

Amounts falling due in more than five years:

Repayable by instalments		
Subordinated loan notes due after five years	**1,309,207**	1,374,608

Other creditors are subordinated loans. Series 1 and 3 loan notes are due 50% to Guildhouse UK Limited and 50% to Infrastructure Investments General Partners Limited, series 2 loan note is due to Westbourne. All three subordinated loans attract interest rates of 14% per annum and are repaid on a 6 monthly basis.

7. **LOANS**

An analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year or on demand:		
Subordinated loan notes	**55,277**	63,472
Amounts falling due between one and two years:		
Subordinated loan notes due between one and two years	**56,373**	55,277
Amounts falling due between two and five years:		
Subordinated loan notes due between two and five years	**206,059**	197,031
Amounts falling due in more than five years:		
Repayable by instalments		
Subordinated loan notes due after five years	**1,309,207**	1,374,608

continued...

7. **LOANS - continued**

The Series 2 subordinated loan notes attract interest at 7% per annum from commencement of the loan in December 2002 until the date of completion, and 14% thereafter. Interest is to be capitalised until the date of completion.

The loan notes are repayable in six monthly instalments commencing September 2005 until the termination date, which is defined as March 2032.

8. **FINANCIAL INSTRUMENTS**

The company's financial instruments may be analysed as follows:

	2016	2015
	£	£
Financial liabilities		
Financial liabilities measured at amortised cost	**1,626,916**	1,690,388

Financial liabilities measured at amortised cost comprise other loans.

9. **PROVISIONS FOR LIABILITIES**

	2016	2015
	£	£
Deferred tax	**1,997,000**	2,016,000

	Deferred tax
	£
Balance at 1 October 2015	**2,016,000**
Charge to profit and loss	**(19,000)**
Balance at 30 September 2016	**1,997,000**

10. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£	£
10,420	Ordinary	£1	**10,420**	10,420

Called up share capital - this represents the nominal value of shares that have been issued.

11. **RESERVES**

	Retained earnings	Fair value reserve	Totals
	£	£	£
At 1 October 2015	**-**	**9,181,221**	**9,181,221**
Profit for the year	**569,345**		**569,345**
Fair value transfer	**(569,345)**	**569,345**	**-**
At 30 September 2016	**-**	**9,750,566**	**9,750,566**

Fair value reserve - included all fair value adjustments in respect of subsidiary holdings and associated movements on deferred tax.

continued...

12. RELATED PARTY DISCLOSURES

Infrastructure Investments General Partner Limited

At the balance sheet date, the liability outstanding due to Infrastructure Investments General Partner Limited on the Series 1 loan note was £1,023,878 (2015: £1,081,222) and on the Series 3 loan note was £59,580 (2015: £59,580). During the year, interest of £78,886 (2015: £82,580) was paid on these loans.

Willcare (MIM) Limited

The company has provided subordinated loan notes totalling £1,626,916 (2015: £1,690,389) to its subsidiary company Willcare (MIM) Limited. During the year, the company received interest of £234,507 (2015: £242,669) on these loans.

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is HICL Infrastructure Company Limited, which is incorporated in Guernsey, Channel Islands and its accounts are available at 1 Le Truchot, St Peter Port, GY1 1WD, Guernsey.

Ultimate parent company
The company is a wholly owned subsidiary of Infrastructure Investments Holdings Limited, a company registered in England and Wales.

Infrastructure Investments Holdings Limited is a subsidiary undertaking of Infrastructure Investments Limited Partnership (acting by its general partner, Infrastructure Investments General Partner Limited), which is incorporated in England and Wales.

14. KEY MANAGEMENT PERSONNEL

All directors who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total remuneration in respect of those individuals is £nil (2015: £nil).

RECONCILIATION OF EQUITY
1 OCTOBER 2014
(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		12,132,122	-	12,132,122
CURRENT ASSETS				
Debtors		420	-	420
CREDITORS				
Amounts falling due within one year		(56,544)	-	(56,544)
NET CURRENT LIABILITIES		(56,124)	-	(56,124)
TOTAL ASSETS LESS CURRENT LIABILITIES		12,075,998	-	12,075,998
CREDITORS				
Amounts falling due after more than one year		(1,690,389)	-	(1,690,389)
PROVISIONS FOR LIABILITIES	2	-	(2,075,000)	(2,075,000)
NET ASSETS		10,385,609	(2,075,000)	8,310,609
CAPITAL AND RESERVES				
Called up share capital		10,420	-	10,420
Fair value reserve	1,2	-	8,300,189	8,300,189
Retained earnings	1	10,375,189	(10,375,189)	-
SHAREHOLDERS' FUNDS		10,385,609	(2,075,000)	8,310,609

The notes form part of these financial statements

continued...

RECONCILIATION OF EQUITY - continued
30 SEPTEMBER 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Investments		12,897,609	-	12,897,609
CURRENT ASSETS				
Debtors		420	(420)	-
Cash at bank		-	420	420
		420	-	420
CREDITORS				
Amounts falling due within one year		(63,472)	-	(63,472)
NET CURRENT LIABILITIES		(63,052)	-	(63,052)
TOTAL ASSETS LESS CURRENT LIABILITIES		12,834,557	-	12,834,557
CREDITORS				
Amounts falling due after more than one year		(1,626,916)	-	(1,626,916)
PROVISIONS FOR LIABILITIES	2	-	(2,016,000)	(2,016,000)
NET ASSETS		11,207,641	(2,016,000)	9,191,641
CAPITAL AND RESERVES				
Called up share capital		10,420	-	10,420
Revaluation reserve		11,197,221	(11,197,221)	-
Fair value reserve	1,2	-	9,181,221	9,181,221
SHAREHOLDERS' FUNDS		11,207,641	(2,016,000)	9,191,641

Notes to the reconciliation of equity

Note 1

The revaluation reserve arising on the fair value adjustments to the company's investment in subsidiary is recorded through the income statement and fair value reserve.

Note 2

Deferred tax has been included in respect of the company's valuation of investment in subsidiary undertakings.

RECONCILIATION OF PROFIT
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER		-	-	-
OPERATING PROFIT		-	-	-
Interest receivable and similar income		242,669	-	242,669
Fair value (gain)/ loss on investments	1	-	822,032	822,032
Interest payable and similar expenses		(242,669)	-	(242,669)
PROFIT BEFORE TAXATION		-	822,032	822,032
Tax on profit	2	-	59,000	59,000
PROFIT FOR THE FINANCIAL YEAR		-	881,032	881,032

Notes to the reconciliation of profit or loss
Note 1
The revaluation reserve arising on the fair value adjustments to the company's investment in subsidiary is recorded through the income statement and fair value reserve.

Note 2
Deferred tax has been included in respect of the company's valuation of investment in subsidiary undertakings.