

Registered number
04333598

LR Healthcare Limited
Annual report and financial statements
for the year ended
30 September 2008

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LR Healthcare Limited
Annual report and financial statements for the year ended 30 September 2008
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LR Healthcare Limited
Company information
for the year ended 30 September 2008

Director
Mr C King

Company secretary
Mr R N Luck

Registered office
Quadrant House, Floor 6
17 Thomas More Street
Thomas More Square
London
E1W 1YW

Independent auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
1 Embankment Place
London
WC2N 6RH

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LR Healthcare Limited

Director's report for the year ended 30 September 2008

The director presents his report and the audited accounts of the company for the year ended 30 September 2008.

Principal activities and review of the business

The company acts as a property development and investment company. The director considers the financial position at 30 September 2008 to be satisfactory. The company continues to seek new property development and investment opportunities.

Principal Risks and Uncertainties

The key business risks and uncertainties affecting the company are considered to relate to the fact that the company operates within a highly competitive market place. Further discussion of the risks and uncertainties, in the context of the group as a whole, are discussed in the company's ultimate parent's group annual report which does not form part of this report.

Key Performance Indicators

The company is managed by the director in accordance with its ultimate parent company, Loopsign Ltd, group strategies and for this reason, the director believes that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. These strategies and key performance indicators are discussed in the company's ultimate parent's group annual report which does not form part of this report.

Going concern

The director believes that preparing the accounts on the going concern basis is appropriate due to the continued financial support of London & Regional Group Holdings Limited. The director has received confirmation that London & Regional Group Holdings Limited intend to support the company for at least one year after these financial statements are signed.

Events after the balance sheet date

On 28 November 2008, as part of a group-wide restructuring, all the shares in the company were transferred from London & Regional Investment Holdings Limited to London & Regional Group Investments Limited.

Results and dividends

The result for the year is set out in the profit and loss account on page 5. The director does not recommend the payment of a dividend (2007: £nil).

Director

The director of the company who served during the year and up to the date of signing the financial statements were as follows:

Mr C King

Qualifying third party indemnity provisions

The company maintains liability insurance for its director and officer. Following shareholder approval, the company has also provided an indemnity for its director and the company secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 1985.

Independent auditors and disclosure of information to auditors

In so far as the director is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In the absence of a notice proposing that their appointment be terminated, PricewaterhouseCoopers LLP, are deemed to have been re-appointed as auditors for the next year.

The report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



Mr R N Luck

Company secretary

21 July 2009

LR Healthcare Limited

Statement of director's responsibilities for the year ended 30 September 2008

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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, in which case there should be supporting assumptions or qualifications as necessary.

The director confirms that he has complied with the above requirements in preparing the financial statements.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at anytime the financial position of the company and enable him to ensure that the financial statements comply with Companies Act 1985. He is 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.

By order of the board



Mr R N Luck
Company secretary

21 July 2009

**Independent auditors' report
to the members of LR Healthcare Limited**

We have audited the financial statements of LR Healthcare Limited for the year ended 30 September 2008 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of director's responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 1985. We also report to you whether in our opinion the information given in the director's report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 director's remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report and all of the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2007 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the director's report is consistent with the financial statements.


PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

21 July 2009

LR Healthcare Limited
Profit and loss account
for the year ended 30 September 2008

	Note	2008 £	2007 £
Turnover	2	137,159	113,560
Administrative expenses		(23,437)	(15,011)
Operating profit	3	<u>113,722</u>	<u>98,549</u>
Exceptional items:			
Permanent diminution in value of investment	5	(2,615,596)	-
Abortive costs on properties	5	-	(240,139)
		<u>(2,501,874)</u>	<u>98,549</u>
Interest receivable		3,650	-
(Loss)/profit on ordinary activities before taxation		<u>(2,498,224)</u>	<u>98,549</u>
Tax on (loss)/profit on ordinary activities	6	-	-
(Loss)/profit for the financial year	12	<u>(2,498,224)</u>	<u>98,549</u>

All amounts relate to continuing operations.

There is no material difference between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the year stated above and their historical cost equivalents.

LR Healthcare Limited
Statement of total recognised gains and losses
for the year ended 30 September 2008

	2008 £	2007 £
(Loss)/profit for the financial year	(2,498,224)	98,549
Unrealised (deficit)/surplus on revaluation of investment properties	(15,000)	90,000
Total recognised gains and losses related to the year	<u>(2,513,224)</u>	<u>188,549</u>

LR Healthcare Limited
Balance sheet
as at 30 September 2008

	Note	2008 £	2007 £
Fixed assets			
Investment properties	7	6,325,000	4,750,299
Current assets			
Debtors	8	110,905	172,987
Cash at bank and in hand		153,614	-
		<u>264,519</u>	<u>172,987</u>
Creditors: amounts falling due within one year	9	(8,927,356)	(4,747,899)
Net current liabilities		<u>(8,662,837)</u>	<u>(4,574,912)</u>
Total assets less current liabilities		<u>(2,337,837)</u>	<u>175,387</u>
Net assets		<u>(2,337,837)</u>	<u>175,387</u>
Capital and reserves			
Called up share capital	10	1	1
Investment revaluation reserve	11	152,218	167,218
Profit and loss account	12	(2,490,056)	8,168
Total shareholders' (deficit)/funds	13	<u>(2,337,837)</u>	<u>175,387</u>

These financial statements were approved by the Board of Directors on **21** July 2009
and signed on its behalf by



Mr C King
Director
21 July 2009

LR Healthcare Limited
Notes to the accounts
for the year ended 30 September 2008

1 Accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention as modified to include the revaluation of investment properties, and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the period, are set out below.

Going concern

The director believes that preparing the accounts on the going concern basis is appropriate due to the continued financial support of London & Regional Group Holdings Limited. The director has received confirmation that London & Regional Group Holdings Limited intend to support the company for at least one year after these financial statements are signed.

Depreciation

Compliance with Statement of Standard Accounting Practice 19 (SSAP 19) "Accounting for Investment Properties" requires departure from the requirements of the Companies Act 1985 relating to depreciation and an explanation for the departure is given below.

Investment properties

In accordance with SSAP 19, investment properties are revalued by the directors annually on an open market basis and independently valued when required by SSAP 19. Any changes in the market value of investment properties are taken to the statement of total recognised gains and losses and transferred to the revaluation reserve, unless a deficit (or its reversal) on an individual investment property is expected to be permanent, in which case it is charged (or credited) in the profit and loss account of the period.

No depreciation is provided in respect of investment properties. The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with SSAP 19 and the director considers that to depreciate would not give a true and fair view.

The depreciation (which would, had the provisions of the Act been followed, have increased the loss for the year) is only one of the factors reflected in the valuation and the amount attributable to this factor cannot reasonably be separately identified or quantified.

Deferred taxation

Deferred tax is provided in respect of all timing differences that have originated, but not reversed, at the balance sheet date that give rise to an obligation to pay more or less tax in the future. Deferred tax is not recognised when fixed assets are revalued unless, by the balance sheet date, there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements.

Deferred tax is measured on a non-discounted basis. A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No.1 (revised 1996) from including a cash flow statement on the grounds that the company is wholly owned and its ultimate parent publishes a consolidated cash flow statement.

Accrued income

Income from rental properties is allocated in the year to which it relates, with amounts owed from tenants, but not invoiced at the year end held as accrued income.

LR Healthcare Limited
Notes to the accounts
for the year ended 30 September 2008

Deferred income

Income from rental properties is allocated in the year to which it relates, with payments received in advance held as deferred income and credited to the the profit and loss when earned.

Turnover

Turnover represents rental income, net of value added tax, which is recognised over the term of the lease on a straight-line basis.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity, wholly undertaken in the UK.

3 Operating profit

2008	2007
£	£

Operating profit is stated after charging:

Auditors' remuneration

-	-
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Auditors' remuneration has been borne by London & Regional Properties Limited.

4 Director's emoluments

The director did not receive any emoluments in respect of his services to the company (2007 : £nil).

The company has no employees (2007: nil) other than the directors.

The above details of director's emoluments do not include the emoluments which are paid by a fellow subsidiary and recharged to the company as part of a management charge. This management charge, which in 2008 amounted to £3,607 (2007: £3,607), also includes a recharge of administration costs borne by the fellow subsidiary on behalf of the company and it is not possible to identify separately the amount of the director's emoluments.

5 Exceptional items

2008	2007
£	£

Permanent diminution in value of investment (note 7)

(2,615,596)

Abortive costs on potential property developments

-	(240,139)
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6 Tax on (loss)/profit on ordinary activities

No tax has been provided for due to the availability of losses through group relief

Factors affecting the tax charge for the period:

From 01 April 08 the rate of corporation tax has reduced from 30% to 28%, giving a blended average rate for the year of 29%

The tax assessed for the year is lower (2007:lower) than the blended/standard rate of corporation tax in the UK (29%; 2007:30%). The differences are explained below:

LR Healthcare Limited
Notes to the accounts
for the year ended 30 September 2008

Tax on (loss)/profit on ordinary activities (cont.)	2008	2007
	£	£
(Loss)/profit on ordinary activities before taxation	<u>(2,498,224)</u>	<u>98,549</u>
Loss on ordinary activities multiplied by blended (2007: standard) rate of corporation tax in the UK of 29% (2007: 30%)	(724,485)	29,565
Effects of:		
Surrender/(utilisation) of tax losses.	<u>724,485</u>	<u>(29,565)</u>
Total current tax charge	<u>-</u>	<u>-</u>

The company surrendered the benefit of tax losses amounting to £724,485 to fellow subsidiary undertakings without receiving any payment. In 2007 the corporation tax charge for the year was reduced by £29,565 because of losses surrendered by fellow subsidiary undertakings. No payment for this surrender was made by the company.

No provision has been made for deferred tax on gains recognised on revaluing the property to its open market value. The directors have no intention of selling the property, and therefore, at present, it is not envisaged that any tax will become payable in the foreseeable future. The directors consider that it is too onerous to provide an estimate of the tax that would be payable if the property was sold at the value shown. Such a tax estimate is not considered meaningful as properties are often divested through the sale of companies.

7 Investment properties

	Freehold land and buildings £
Investment properties at valuation	
At 1 October 2007	4,750,299
Additions	4,205,297
Deficit on revaluation	(15,000)
Permanent diminution in value of investment	<u>(2,615,596)</u>
At 30 September 2008	<u>6,325,000</u>
At cost	<u>8,788,378</u>

The investment property was valued on an open market valuation basis as at 30 September 2008 by the director with the advice of independent valuers.

8 Debtors

	2008	2007
	£	£
Trade debtors	24,398	33,818
Other debtors	62,908	139,169
Prepayments and accrued income	<u>23,599</u>	<u>-</u>
	<u>110,905</u>	<u>172,987</u>

Included within other debtors is £1 of unpaid share capital (2007: £1) and remainder relates to taxation.