

Company Registration No. 04333598 (England and Wales)

LR HEALTHCARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

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LR HEALTHCARE LIMITED

COMPANY INFORMATION

Directors	Mr R J Livingstone Mr L Sebastian
Secretary	Mr R N Luck
Company number	04333598
Registered office	Quadrant House, Floor 6 4 Thomas More Square London E1W 1YW
Independent Auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

LR HEALTHCARE LIMITED

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LR HEALTHCARE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

The directors present the strategic report for the year ended 30 September 2016.

Principal activities, review of the business and future developments

The company acted as a commercial property investment company. It sold its sole investment property in June 2015. The company is now inactive. It made a profit of £3.8m due to a loan waiver from a fellow group undertaking for the financial year ended 30 September 2016 (2015: £2.4m). Net liabilities were £1 at the year end (2015: £3,784,104). Despite this the directors consider the financial position and future prospects at 30 September 2016 to be satisfactory.

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. The directors of the company have reviewed the company's exposure to credit risk, liquidity risk and cashflow risk. These risks and uncertainties are discussed in the company's ultimate parent's group annual report which does not form part of this report.

Financial risk management

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. Further discussion of the financial risk management objectives and policies, 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 directors in accordance with the strategies of its ultimate parent company, Loopsign Limited. For this reason, the directors believe that 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.

By order of the board



Mr R N Luck

Secretary

31 March 2017

LR HEALTHCARE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

The directors present their annual report and audited financial statements for the year ended 30 September 2016.

Directors

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

Mr R J Livingstone

Mr L Sebastian

Results and dividends

The results for the year are set out on page 6.

The directors do not recommend the payment of a dividend (2015: £nil).

The business review, financial risk management and going concern are included in the strategic report.

Qualifying third party indemnity provisions

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

Independent Auditors

The Independent Auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to Independent Auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's Independent Auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's Independent Auditors are aware of that information.

By order of the board



Mr R N Luck

Secretary

31 March 2017

LR HEALTHCARE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT **FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). 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;
- state whether applicable UK Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board



Mr R N Luck

Secretary

31 March 2017

LR HEALTHCARE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LR HEALTHCARE LIMITED

Report on the financial statements

Our opinion

In our opinion, LR Healthcare Limited's financial statements (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.
-

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 30 September 2016;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

LR HEALTHCARE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF LR HEALTHCARE LIMITED

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

What an audit of financial statements involves

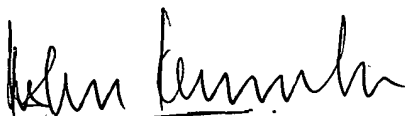
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Deshan Karunaratne (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
31 March 2017

LR HEALTHCARE LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2016

		2016	2015
	Notes	£	£
Turnover	3	-	-
Cost of sales		-	(22,358)
Gross result/(loss)		-	(22,358)
Administrative expenses		(278)	(77,287)
Other operating income		2,987	-
Operating profit/(loss)	4	2,709	(99,645)
Profit on disposal of investment properties	7	-	2,546,174
Waiver of loan payable	6	3,781,394	-
Profit on ordinary activities before taxation		3,784,103	2,446,529
Tax on profit on ordinary activities	8	-	-
Profit for the financial year		3,784,103	2,446,529
Other comprehensive income		-	-
Total comprehensive income for the year		3,784,103	2,446,529

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

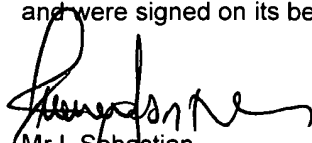
LR HEALTHCARE LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2016

	Notes	2016 £	£	2015 £	£
Current assets					
Debtors	9	6,251		4,296	
Creditors: amounts falling due within one year	10	(6,252)		(3,788,400)	
Net current liabilities			(1)	(3,784,104)	
Total assets less current liabilities			(1)	(3,784,104)	
Net liabilities			(1)	(3,784,104)	
Capital and reserves					
Called up share capital	11		1	1	
Retained deficit			(2)	(3,784,105)	
Total equity			(1)	(3,784,104)	

The financial statements were approved by the board of directors and authorised for issue on 31 March 2017 and were signed on its behalf by:


Mr L Sebastian
Director

Company Registration No. 04333598

LR HEALTHCARE LIMITED

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

	Called up share capital £	Retained deficit £	Total £
Balance at 1 October 2014	1	(6,230,634)	(6,230,633)
Total profit and comprehensive income for the financial year:	-	2,446,529	2,446,529
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2015	1	(3,784,105)	(3,784,104)
Total profit and comprehensive income for the financial year:	-	3,784,103	3,784,103
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2016	1	(2)	(1)
	<hr/>	<hr/>	<hr/>

LR HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

General information

LR Healthcare Limited is a company limited by shares incorporated in England and Wales. The registered office is Quadrant House, Floor 6, 4 Thomas More Square, London, E1W 1YW.

1.1 Statement of compliance

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

1.2 Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis and under the historical cost convention. The principal accounting policies adopted are set out below.

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 £.

These financial statements for the year ended 30 September 2016 are the first financial statements of LR Healthcare Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2014. FRS 102 requires the changes in the fair values of investment properties to be recognised in profit or loss for the period. Under previous UK GAAP these changes were recognised outside of profit or loss and presented separately in a revaluation reserve. There were no gains or losses arising on revaluation of investment properties in the comparative period and therefore the reported financial position and performance for the year ended 30 September 2015 was not affected by the transition to FRS 102. On transition to FRS 102 revaluation gains or losses arising prior to 1 October 2015 and recognised in the revaluation reserve were transferred to profit and loss reserves which has not affected the measurement of investment property and the reported net asset position.

1.3 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemption if certain conditions have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The company is a qualifying entity as its results are consolidated into the financial statements of Loopsign Limited which are publicly available.

As a qualifying entity, the company has taken advantage of the following exemptions:

- from the requirement to prepare a statement of cash flows as required by paragraph 3.17 (d) of FRS 102; and
- from the requirement to present financial instruments disclosures, as required by FRS 102 paragraphs 11.39 to 11.48A, paragraph 12.26 and 12.29.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LR HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held 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 have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

LR HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The directors do not consider there to be any critical estimates or judgements that could materially alter the performance or position of the company in the coming year.

LR HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

3 Turnover

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Net rental income		
Turnover	-	-
Net property outgoings	-	(22,358)
Property outgoings	-	(22,358)
Net rental result/(expense)	-	(22,358)

4 Operating profit/(loss)

	2016 £	2015 £
Operating profit/(loss) for the year is stated after charging:		
Fees payable to the company's auditors for the audit of the company's financial statements	-	-

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

5 Directors' remuneration

The directors did not receive any emoluments in respect of their services to the company (2015 : £nil). The company has no employees (2015: none) other than the directors.

The above details of directors' 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 2016 amounted to £nil (2015: £31,250), 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 directors' emoluments. Mr Livingstone is a director of the parent company and a number of fellow subsidiary companies and his total emoluments are included in the aggregate of directors' emoluments included in the financial statements of the parent company. The total emoluments of Mr L K Sebastian are included in the aggregate of employees' salaries included in the financial statements of the ultimate parent company.

6 Waiver of loan payable

	2016 £	2015 £
Waiver of loan payable	(3,781,394)	-

The above amount relates to the waiver of a loan due from a fellow group undertaking.

LR HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

7 Profit on disposal of investment properties

	2016	2015
	£	£
Net proceeds on sale of investment properties	-	3,046,174
Valuation of investment properties	-	(500,000)
Profit on disposal of investment properties	-	2,546,174

8 Tax on profit on ordinary activities

No tax has been provided due to availability of losses through group relief (2015: £nil).

Factors affecting tax charge for the year

From 1 April 2015 the rate of corporation tax has reduced from 21% to 20%, giving a blended average rate for the comparative year of 20.5%.

The result for the year can be reconciled to the profit per the statement of comprehensive income as follows:

	2016	2015
	£	£
Profit on ordinary activities before taxation	3,784,103	2,446,529
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.50%)	756,821	501,538
Tax effect of income not taxable in determining taxable profit	(756,279)	-
Realisation of prior year revaluations of investment properties	-	(266,500)
Reversal of prior year impairments	-	(1,092,397)
Utilisation/(surrender) of tax losses	(542)	857,359
Tax result for the year	-	-

The corporation tax charge for the year has been reduced by £542 because of losses surrendered by fellow subsidiary undertakings. No payment for this surrender is to be made by the company. In the year ended 30 September 2015 the company surrendered the benefit of tax losses amounting to £4,150,714 to fellow subsidiary undertakings without receiving payment.

Factors that may affect future tax charges

With effect from 1 April 2017 and 1 April 2020, the UK corporation tax rate will be reduced to 19% and 17% respectively. These changes, which were announced in March 2015 budget and affirmed in March 2016 budget, will have no significant impact on these financial statements.

LR HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

9 Debtors

	2016 £	2015 £
Trade debtors	-	3,872
Other debtors	1	1
Taxation	6,250	423
	<u>6,251</u>	<u>4,296</u>

Other debtors relate to unpaid share capital of £1 (2015: £1).

10 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	-	330
Amounts due to fellow group undertakings	6,250	3,753,833
Other creditors	2	2,987
Accruals and deferred income	-	31,250
	<u>6,252</u>	<u>3,788,400</u>

Amounts due to fellow group undertakings are interest free, repayable on demand and unsecured.

11 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Authorised		
1,000 (2015: 1,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Issued and fully paid		
1 (2015: 1) ordinary shares of £1 each	<u>1</u>	<u>1</u>

LR HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 SEPTEMBER 2016**

12 Related party transactions

As the company is a wholly owned subsidiary of Loopsign Limited, the company has taken advantage of the exemption under section 33.1A of FRS102 from disclosing transactions or balances with entities which form part of the group.

13 Controlling party

The immediate parent undertaking is London & Regional Group Investments Limited, a company incorporated and registered in England and Wales.

The ultimate parent undertaking is Loopsign Limited, a company incorporated in England and Wales.

London & Regional Group Holdings Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statement as at 30 September 2016. Loopsign Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 September 2016. The consolidated financial statements of Loopsign Limited can be obtained from the company secretary at Quadrant House, Floor 6, 4 Thomas More Square, London E1W 1YW.

The ultimate controlling parties are I.M. Livingstone and R.J. Livingstone through their joint ownership of Loopsign Limited.