

**REGISTRAR OF
COMPANIES**

4435183

UK Hospitals No 1 (HC) Limited

Report and Financial Statements

Period Ended

31 January 2003



BDO
BDO Stoy Hayward
Chartered Accountants

UK HOSPITALS NO 1 (HC) LIMITED

Report and financial statements for the period ended 31 January 2003

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Directors

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Directors

A L King-Cline
J R Trustram Eve
A Norris

Secretary and registered office

A Magnus, Suite 101A, 3 Whitehall Court, London, SW1A 2EL.

Company number

4435183

Auditors

BDO Stoy Hayward, 8 Baker Street, London, W1U 3LL.

UK HOSPITALS NO 1 (HC) LIMITED

Report of the directors for the period ended 31 January 2003

The directors present their report together with the audited financial statements for the period ended 31 January 2003. The company was incorporated on 9 May 2002.

Results

The company has not traded since incorporation.

Principal activities, trading review and future developments

The company acts as General Partner Parent of the UK Hospitals No 1 Limited Partnership. No change is envisaged in the ensuing year.

Directors

The directors of the company during the period and to the date of this report were:

D W S Directors Limited	(appointed 9 May 2002, resigned 20 June 2002)
T W Edelstein	(appointed 20 June 2002, resigned 6 April 2003)
A L King-Cline	(appointed 20 June 2002)
J R Trustram Eve	(appointed 20 June 2002)
A Norris	(appointed 10 July 2002)

None of the directors has an interest in the ordinary share capital of the company and their interest in the share capital of the parent company is given in the accounts of that company.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

UK HOSPITALS NO 1 (HC) LIMITED

Report of the directors for the period ended 31 January 2003 *(Continued)*

Auditors

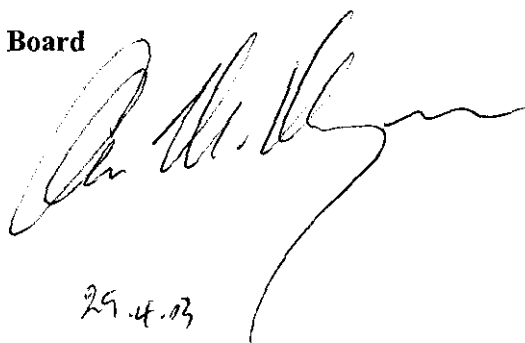
BDO Stoy Hayward, who were appointed as first auditors of the company by the directors, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board

A Magnus

Secretary

Date



29.4.03

UK HOSPITALS NO 1 (HC) LIMITED

Report of the independent auditors

To the shareholders of UK Hospitals No 1 (HC) Limited

We have audited the financial statements of UK Hospitals No 1 (HC) Limited on pages 5 to 7 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

UK HOSPITALS NO 1 (HC) LIMITED

Report of the independent auditors (*Continued*)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 January 2003 and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD

*Chartered Accountants
and Registered Auditors*
London

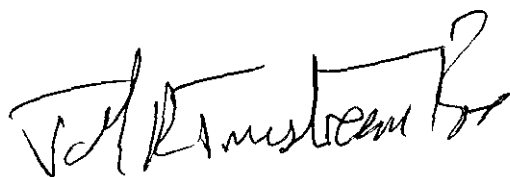
29 August 2003

UK HOSPITALS NO 1 (HC) LIMITED

Balance sheet at 31 January 2003

	Note	£	£
Fixed assets			
Investments	2		4
Current assets			
Cash at bank and in hand		1	
Creditors: amounts falling due within one year	3	4	
		<hr/>	
Net current liabilities			(3)
			<hr/>
Net assets			1
			<hr/>
Capital and reserves			
Called up share capital	4		1
			<hr/>
Shareholders' funds - equity	5		1
			<hr/>

The financial statements were approved by the Board on 29 April 2003



J R Trustram Eve
Director

The notes on pages 6 and 7 form part of these financial statements.

UK HOSPITALS NO 1 (HC) LIMITED

Notes forming part of the financial statements for the period ended 31 January 2003

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policy has been applied:

Investments

Investments in subsidiaries are stated at cost.

2 Investments

	Loans to group undertakings £	Shares in group undertakings £	Total £
Additions and at 31 January 2003	2	2	4

The wholly owned subsidiary undertakings at 31 January 2003 were:

UK Hospitals No 1 (PT1) Limited
UK Hospitals No 1 (PT2) Limited

Both companies are non-trading and are incorporated in England and Wales.

The loans to group undertakings were made to the following companies which are limited by guarantee but controlled by UK Hospitals (HC) Limited:

UK Hospitals No 1 (LP) Limited
UK Hospitals No 1 (GP) Limited

Group accounts have not been prepared as the company and its subsidiaries have been non-trading since incorporation and, for all subsidiary undertakings, their aggregate capital and reserves is a nominal £1.

3 Creditors: amounts falling due within one year	£
Amounts due to parent undertaking	4

UK HOSPITALS NO 1 (HC) LIMITED

Notes forming part of the financial statements for the period ended 31 January 2003 (*Continued*)

4 Share capital

	Authorised Number	Allotted, called up and fully paid Number
Ordinary shares of £1 each	100	1
	<u> </u>	<u> </u>
	£	£
Ordinary shares of £1 each	100	1
	<u> </u>	<u> </u>

One ordinary share was issued on incorporation for a cash consideration of £1.

5 Reconciliation of movements in shareholders' funds

The movement in shareholders' funds represent the issue of ordinary share capital on incorporation.

6 Contingent liabilities

The company together with its subsidiary undertakings has provided security under a debenture in respect of bonds with a value of £140m.

7 Ultimate parent company

At 31 January 2003, the company's ultimate parent company was Partnership Incorporations Limited, which is the parent of both the largest and smallest group of which the company is a member.

Copies of the financial statements of Partnership Incorporations Limited, are available from Companies House.