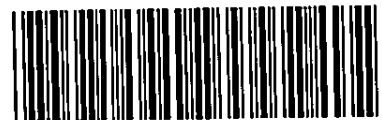


HEALTHCARE PROPERTIES (OXFORD) LIMITED

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2007**

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HEALTHCARE PROPERTIES (OXFORD) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

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HEALTHCARE PROPERTIES (OXFORD) LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2007

DIRECTORS

Mr R Borg
Mr R Beney

SECRETARY

Mr R Borg

REGISTERED OFFICE

31a St James's Square
London SW1Y 4JR

REGISTERED NUMBER

4556634

INDEPENDENT AUDITORS

PricewaterhouseCoopers CI LLP
National Westminster House
Le Truchot
St Peter Port
Guernsey GY1 4ND

PRINCIPAL BANKERS

Bank of Scotland
Bishopsgate Exchange
155 Bishopsgate
London EC2M 3YB

HEALTHCARE PROPERTIES (OXFORD) LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2007

The directors present their annual report and the audited financial statements to the shareholders for the year ended 31 December 2007

PRINCIPAL ACTIVITY

The Company's principal activity is that of an investment property holding company

RESULTS

The result for the year is shown on page 5

DIVIDENDS

The directors do not propose a dividend for the year ended 31 December 2007 (2006 nil)

DIRECTORS

The directors of the Company at 31 December 2007 were

Mr R Borg
Mr R Beney

SECRETARY

The secretary of the Company at 31 December 2007 was Mr R Borg who had been secretary for the whole of the year then ended

DIRECTORS' INTERESTS

The following directors' interests in the shares of the company were as stated below

	Ordinary Shares of £1 each	
	December 31	
	2007	2006
Mr R Borg	Nil	Nil
Mr R Beney	Nil	Nil

INDEPENDENT AUDITORS

The independent auditors, PricewaterhouseCoopers CI LLP, have indicated their willingness to continue in office, and a resolution to reappoint them as auditors to the Company will be proposed at the annual general meeting

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with applicable United Kingdom law and United Kingdom Accounting Standards, 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 apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the 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 confirm that they have complied with the above requirements in preparing the financial statements

HEALTHCARE PROPERTIES (OXFORD) LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2007

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.

By order of the board


Director

Date 15/6/08


Director

Date 18/6/08

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEALTHCARE PROPERTIES (OXFORD) LIMITED

We have audited the financial statements of Healthcare Properties (Oxford) Limited for the year ended 31 December 2007 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 directors' responsibilities for preparing the financial statements in accordance with applicable United Kingdom 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 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 Directors' 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 or 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 the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Directors' Report.

Basis of audit opinion

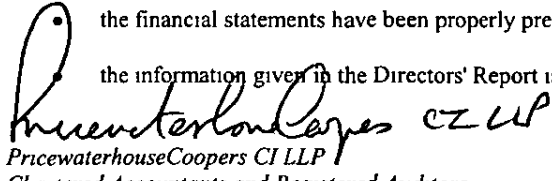
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and 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.

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Accounting Standards, of the state of the Company's affairs as at 31 December 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 Directors' Report is consistent with the financial statements.


PricewaterhouseCoopers CI LLP
Chartered Accountants and Registered Auditors
Guernsey, Channel Islands

20 June 2008

HEALTHCARE PROPERTIES (OXFORD) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2007

	NOTE	2007	2006
		£	£
Rent receivable	1,2	2,334,662	2,266,907
Administrative expenses		(1,125,640)	(877,570)
Operating profit	3	<u>1,209,022</u>	<u>1,389,337</u>
Other interest receivable and similar income		32,497	8,721
Amortisation of negative goodwill		74,604	74,604
Goodwill adjustment	8	(191,912)	-
Write off of investment	7	(63,661)	-
Interest payable and similar charges	4	(1,201,856)	(1,231,904)
Profit on ordinary activities before taxation		<u>(141,306)</u>	<u>240,758</u>
Taxation	5	(71,070)	(80,642)
Profit for the year after taxation		<u>(212,376)</u>	<u>160,116</u>

There is no difference between the loss for the year as stated above and its historical cost equivalent

The notes on pages 8 to 15 form part of these financial statements

HEALTHCARE PROPERTIES (OXFORD) LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007	2006
		£	£
(Loss)/Profit for the financial year		(212,376)	160,116
Movement in unrealised surplus on revaluation of properties	6, 14	2,461,530	4,258,780
Refund of consideration for investments	8	310,011	-
Total recognised gains for the year		<u>2,559,165</u>	<u>4,418,896</u>

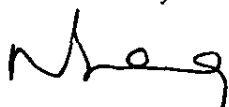
The notes on pages 8 to 15 form part of these financial statements

HEALTHCARE PROPERTIES (OXFORD) LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2007

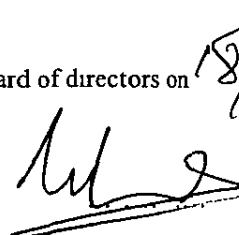
	Notes	2007 £	2006 £
FIXED ASSETS			
Investment property	6	34,475,536	32,014,006
Investments	7	1,463,817	1,527,478
Negative goodwill	8	(515,181)	(397,873)
		<u>35,424,172</u>	<u>33,143,611</u>
NON-CURRENT ASSETS			
Accrued income	1	1,173,486	936,587
CURRENT ASSETS			
Debtors	9	1,153,671	1,021,632
Cash at bank and in hand		338,422	104,733
		<u>1,492,093</u>	<u>1,126,365</u>
CREDITORS: amounts falling due within one year	10	(3,517,793)	(3,410,675)
NET CURRENT LIABILITIES		<u>(2,025,700)</u>	<u>(2,284,310)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>34,571,958</u>	<u>31,795,888</u>
CREDITORS: amounts falling due after more than one year	11	(19,066,697)	(18,920,862)
PROVISIONS FOR LIABILITIES AND CHARGES	12	(3,316,730)	(3,245,660)
NET ASSETS		<u>12,188,531</u>	<u>9,629,366</u>
CAPITAL AND RESERVES			
Share capital	13	1	1
Revaluation reserve	14	11,528,500	8,756,959
Profit and loss account	14	660,030	872,406
TOTAL CAPITAL AND RESERVES	15	<u>12,188,531</u>	<u>9,629,366</u>

The financial statements on pages 5 to 15 were approved by the board of directors on 18/6/2008 and were signed on its behalf by

Director



Director



The notes on pages 8 to 15 form part of these financial statements

HEALTHCARE PROPERTIES (OXFORD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

1. PRINCIPAL ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention as modified to include investment properties at valuation, and in accordance with applicable United Kingdom accounting standards

1.2 Revenue recognition

Revenue consists of minimum lease rentals payable over the terms of the operating leases, recognised on a straight line basis, and incremental lease rentals payable under rent escalation clauses in the leases recognised as they arise. Every investment property is accounted for individually. Operating lease agreements are based on long-term leasing contracts of 35 years.

1.3 Accounting for leases and accrued income

The Company currently treats all of its investment property leases as operating leases, however this classification is considered by the directors for each property on acquisition. An operating lease is a lease in which substantially all the risks and rewards of the asset (investment property) remain with the lessor and as such these assets remain in the Company's balance sheet. Lease payments from the lessee are recognised as rental income and as such disclosed in the income statement on a straight-line basis over the period of the lease.

Accrued income is provided to recognise guaranteed future income over the period of the lease. Accrued income is recognised under non-current assets for all amounts not released to the income statement within 12 months of the balance sheet date and not receivable within 12 months. Amounts due to be released within 12 months of the balance sheet date are recognised in receivables under current assets.

1.4 Other income

All other income is accounted for on an accruals basis.

1.5 Deferred taxation

Provision for deferred tax is made in respect of all timing differences that have originated but not reversed by the balance sheet date. Any provisions for deferred taxes are not discounted. Deferred tax assets are only recognised where there is a reasonable probability that the asset will crystallise in the foreseeable future.

1.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand or deposits held at call with banks, other than short term highly liquid investments and bank overdrafts.

1.7 Investment properties

The investment properties are stated at market value. Increases in the carrying value of investment properties are credited to the revaluation reserve. Decreases that offset previous increases of the same investment property are charged against the revaluation reserve whilst all other decreases are charged to the profit and loss account.

On disposal, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit and loss account. Amounts in revaluation reserve relating to the investment are transferred to retained earnings and disclosed in the statement of total recognised gains and losses.

Acquisition and disposal of properties are considered to have taken place where, by the end of the accounting period, there is a legally binding, unconditional and irrevocable contract and legal completion has taken place subsequently.

In accordance with SSAP 19, no depreciation or amortisation is provided in respect of freehold properties or leasehold properties which have unexpired terms in excess of twenty years.

HEALTHCARE PROPERTIES (OXFORD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2007

1. PRINCIPAL ACCOUNTING POLICIES ..(continued)

1.8 Negative goodwill

Negative goodwill arising on acquisitions is capitalised and amortised on a straight-line basis over the life of the lease

1.9 Borrowings

Borrowings are initially recognised as the proceeds received, net of issue costs incurred. Debt arrangement fees which therefore qualify to be treated as issue costs are deducted from the gross amount of bank borrowings and are amortised to the profit and loss account over the period of the borrowings as a component of the interest payable. Other finance costs are written off as they are incurred.

1.10 Investments

Investments are stated at cost less provision for any permanent diminution in value.

1.11 Cash flow statement

Under Financial Reporting Standard No 1 (Revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

1.12 Basis of non-consolidation

These are separate financial statements which do not include the reported results and net assets of the Company's wholly owned subsidiary undertaking.

Under Financial Reporting Standard No 2 the company is exempt from the requirement to prepare consolidated financial statements on the grounds of the group's size.

2. TURNOVER

The total turnover of the Company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3. OPERATING PROFIT

	2007	2006
	£	£
Operating profit is stated after charging		
Auditors' remuneration	14,926	19,450
	<hr/>	<hr/>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2007	2006
	£	£
On loans repayable between 2 to 5 years	1,201,856	1,231,904
	<hr/>	<hr/>

HEALTHCARE PROPERTIES (OXFORD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2007

5. TAXATION

	2007	2006
	£	£
Current tax	-	6,353
Deferred tax (Note 12)	71,070	74,289
	<u>71,070</u>	<u>80,642</u>
(Loss)/profit on ordinary activities before tax	<u>(141,306)</u>	<u>240,758</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2006 30%)	(42,391)	72,227
Effects of		
Disallowed management charge	280,209	148,677
Income not subject to tax	-	(70,269)
Accelerated capital allowances	(51,460)	(70,650)
Utilisation of tax losses	(186,358)	(73,632)
Current tax charge for the year	<u>-</u>	<u>6,353</u>

6. INVESTMENT PROPERTY

	2007	2006
	£	£
As at 1 January 2007	32,014,006	27,755,226
Movement in unrealised surplus on revaluation of properties	2,461,530	4,258,780
Valuation as at 31 December 2007	<u>34,475,536</u>	<u>32,014,006</u>

A full valuation of the property was made at 31 December 2007 by Colliers CRE, Chartered Surveyors and International Property Consultants ('Colliers'), on an investment value basis. Colliers CRE recommended that a capitalisation of 6.0% should be used. It is the management's opinion that this valuation reflects the fair value of the investment properties as at the 31 December 2007. On a historical cost basis, the properties would be included at an original cost of £19,583,593 (2006 - £19,583,593). As disclosed in note 11, the Company has created a fixed charge over the properties.

HEALTHCARE PROPERTIES (OXFORD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2007

7. INVESTMENTS

	2007 £	2006 £
Balance brought forward	1,527,478	1,527,478
Write off of investments	(63,661)	-
Balance carried forward	<u>1,463,817</u>	<u>1,527,478</u>

The investments are in the Company's subsidiaries, The Manor House Nursing Home Limited and Hollygarth Care Homes Limited, which represent the aggregate of the share capital and share premium account of those subsidiaries, and in the preference share capital of European Care (England) Limited (see below)

Holdings of more than 20%

The Company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
The Manor House Nursing Home Limited	England	Ordinary	100
Hollygarth Care Home Limited	England	Ordinary	100
Other significant interests			
European Care (England) Limited	England	Preference	100

The aggregate amount of capital and reserves and the results of the subsidiary undertakings for the last relevant financial year were as follows

	Capital and reserves	Result for the year	Capital and reserves	Result for the year
	2007 £	2007 £	2006 £	2006 £
The Manor House Nursing Home Limited	482,476	-	482,476	-
Hollygarth Care Homes Limited	606,330	-	663,341	-
	<u>1,088,806</u>	<u>-</u>	<u>1,145,817</u>	<u>-</u>

HEALTHCARE PROPERTIES (OXFORD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2007

7. INVESTMENTS....(continued)

The investments amounting to £1,463,817 (2006 - £1,527,478) comprised of

- i) £482,476 (2006 £482,476) representing 11,500 Ordinary A shares of 1p and 300 Ordinary B shares of 1p each in The Manor House Nursing Home Limited
- ii) £606,330 (2006 £663,341) representing 67,002 Ordinary shares of £1 in Hollygarth Care Homes Limited
- iii) £375,000 (2006 £375,000) representing 375,000 preference shares of £1 each in European Care (England) Limited

During the year, Healthcare Properties (Oxford) Limited received £2,097,763 (2006 - £2,019,342) in rental income and business fees income from European Care (England) Limited under the terms of a long term lease

8. NEGATIVE GOODWILL

	2007	2006
	£	£
Balance brought forward	397,873	472,476
Amortisation	(74,604)	(74,603)
Adjustment due to refund of consideration	191,912	-
Balance carried forward	<u>515,181</u>	<u>397,873</u>

On 5 May 2005, the Company acquired 100% of the share capital of Hollygarth Care Homes Limited. On the same day the assets and the business were leased to a third party operator under a 7 year lease. The negative goodwill is being amortised over the life of the lease.

Details of net assets acquired and negative goodwill are as follows -

	£
Purchase consideration	
- Cash paid	12,213,240
- Direct costs relating to acquisition	805,831
Total purchase consideration	<u>13,019,071</u>
Fair value of net assets acquired	<u>13,541,282</u>
Negative goodwill as previously reported	522,211
Refund of consideration in 2007	310,011
Negative Goodwill	<u>832,222</u>

During 2007, an amount of £310,011 was received by the Company as a refund of consideration in respect of the above investment. As such negative goodwill has been recalculated and an adjustment to cumulative amortisation made.

9. DEBTORS

	2007	2006
	£	£
Prepayments and accrued income	95,935	87,166
Loans	648,460	648,410
Amounts due from other group companies	201,098	25,468
Other debtors	208,178	260,588
	<u>1,153,671</u>	<u>1,021,632</u>

HEALTHCARE PROPERTIES (OXFORD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2007

9. DEBTORS....(continued)

Amounts due from other group companies were £19,778 (2006 - £16,989) from Healthcare Properties (Ashlea) Limited, £31,956 (2006 - £6,955) from Healthcare Properties UK Limited, £300 (2006 - £300) from Public Service Properties Investments Limited, £1,224 (2006 - £1,224) from Healthcare Properties Etzelgut Limited and £147,840 (2006 - £nil) from Healthcare Properties Stonelea Limited

10. CREDITORS: amounts falling due within one year

	2007 £	2006 £
Bank loans and overdrafts	450,001	703,266
Amounts due to other group companies	2,955,011	2,543,261
Other creditors	525	9,930
Accruals	112,256	154,218
	3,517,793	3,410,675

Amounts owed to other group companies were £362,476 (2006 - £362,476) to The Manor House Nursing Home Limited, £1,959,960 (2006 - £1,622,914) to Public Service Properties Investments Limited, £26,000 (2006 - £15,500) to Healthcare Properties Ashlea Limited, £246 (2006 - £nil) to Healthcare Properties LDK Limited and £606,329 (2006 - £542,371) to Hollygarth Care Homes Limited. These balances are repayable on demand and are subject to interest charges as agreed from time to time.

11. CREDITORS: amounts falling due after one year

	2007 £	2006 £
Bank loan	16,870,727	16,724,892
Other loans	2,195,970	2,195,970
	19,066,697	18,920,862

The Company entered into a facility agreement in May 2005 for an aggregate amount of £12,765,000 with the Bank of Scotland. The loan requires payment of interest only during the first three years and 50% amortisation of the principal during years 4-10 of the facility with the balance 50% repayable at maturity in May 2015.

The Company entered into a facility agreement in December 2002 for an amount of £5,250,000 with the Bank of Scotland. The facility is repayable over twenty years and, by execution of an interest rate swap agreement, the interest rate is fixed for the duration of the facility. The loan may be repaid prior to maturity in accordance with the terms of the facility agreement. The Company issued a debenture to the bank in respect of all assets of the Company.

In September 2007, both of the above facility agreements were refinanced with the Bank of Scotland and are repayable in full after 5 years on an interest only basis.

The Company also has borrowings of £2,195,970 (2006 - £2,195,970) from its immediate holding company, Healthcare Properties (Ashlea) Limited, which is repayable with the permission of the Bank of Scotland. This loan is unsecured and interest free.

HEALTHCARE PROPERTIES (OXFORD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2007

11. CREDITORS: amounts falling due after one year... (continued)

The maturities of the bank loan facilities due after one year are as follows

	2007	2006
	£	£
Due within 1 year	450,001	703,266
Due after 1 year but before 2 years	-	245,045
Due after 2 years but before 5 years	16,870,727	3,470,283
Due after 5 years	-	13,009,565
Total bank borrowings due after 1 year	16,870,727	16,724,893
Total bank borrowings	17,320,728	17,428,159

12. PROVISIONS FOR LIABILITIES AND CHARGES

	2007	2006
	£	£
Balance brought forward	3,245,660	3,171,371
Deferred tax on straight line lease income	71,070	74,289
Balance carried forward	3,316,730	3,245,660

Deferred taxation is provided on timing differences arising from the recognition of accrued income (see Note 13)

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the properties were sold rather than the Company. The total amount un-provided for is £3,093,115 (2006 - £2,142,073). At present, it is not envisaged that any tax will become payable in the foreseeable future.

13. SHARE CAPITAL

	2007	2006
	£	£
Authorised:		
Equity interests:		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid:		
Equity interests:		
1 Ordinary share of £1 each	1	1

HEALTHCARE PROPERTIES (OXFORD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2007

14. STATEMENT OF MOVEMENTS ON RESERVES

	2007	2007	2006	2006
	REVALUATION RESERVE	PROFIT AND LOSS ACCOUNT	REVALUATION RESERVE	PROFIT AND LOSS ACCOUNT
	£	£		
Balance brought forward	8,756,959	872,406	4,680,548	712,290
Retained (loss)/profit for the year	-	(212,376)	-	160,116
Revaluation during the year	2,461,530	-	4,076,411	-
Refund of consideration for investments	310,011	-	-	-
Balance carried forward	11,528,500	660,030	8,756,959	872,406

15. RECONCILIATION OF MOVEMENTS IN CAPITAL AND RESERVES

	2007	2006
	£	£
Profit for the financial year	(212,376)	160,116
Other recognised gains and losses	2,771,541	4,076,411
Net addition to capital and reserves	2,559,165	4,236,527
Opening capital and reserves	9,629,366	5,392,839
Closing capital and reserves	12,188,531	9,629,366

16. EMPLOYEES

Number of employees

There were no employees during the year apart from the directors

17. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

The immediate controlling company is Healthcare Properties (Ashlea) Limited, a company registered in Guernsey, Channel Islands. In the opinion of the directors, the ultimate controlling company is Public Service Properties Investments Limited, a company registered in the British Virgin Islands.

Public Service Properties Investments Limited has issued a letter to the Company confirming that it has the means to continue to support the normal financial obligations of the Company.

18. RELATED PARTY TRANSACTIONS

The Company was charged management fees by group companies of £996,342 (2006 - £815,296) by Public Service Properties Investments Limited (formerly USI Group Holdings Limited), £nil (2006 - £nil) by USI Healthcare Investment Company Limited and £10,500 (2006 - £10,500) by Healthcare Properties (Ashlea) Limited, for services rendered during the course of the year ended 31 December 2007. The amounts remaining unpaid to and from Group companies at 31 December 2007 are detailed in Notes 9, 10 & 11.