

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

**Annual Report and Unaudited Financial Statements**

**for the Year Ended 31 December 2020**

**Registration number: 05406140**

MONDAY



\*AADWLKSA\*

A04

27/09/2021

#176

COMPANIES HOUSE

---

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

## **Contents**

Company Information	1
Strategic Report	2
Directors' Report	3
Statement of Directors' Responsibilities	4
Profit and Loss Account	5
Statement of Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9 to 15

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

## **Company Information**

<b>Directors</b>	Donna Shorto
	James Barber-Lomax
	James Hanna
<b>Company secretary</b>	Praxis Secretaries (UK) Limited
<b>Registered office</b>	1st Floor, Senator House 85 Queen Victoria Street London EC4V 4AB

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

## **Strategic Report for the Year Ended 31 December 2020**

The Directors present their strategic report for the year ended 31 December 2020.

### **Principal activity**

The principal activity of the company is a property holding company.

### **Fair review of the business**

The results for the year are set out in the profit and loss account on page 6 and the position of the company as at the year end is set out in the balance sheet on page 7.

On 25 June 2021 the entire share capital of the company was acquired by Medical Properties Trust Limited. From this date the company changed its name from Partnerships in Care Property 11 Limited to MPT Llanarth Limited.

The company's management is satisfied with the performance for the year, and is committed to a continued growth strategy.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business. The development, performance and position of Priory Group UK 1 Limited, an intermediate parent of the company, is discussed in the group's financial statements which includes the company and does not form part of this report.

### **Principal risks and uncertainties**

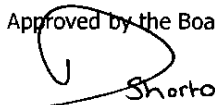
From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of Priory Group UK 1 Limited, which include those of the company, are discussed in the group's financial statements which do not form part of this report.

### **Statement on Section 172(1)**

The following Section 172 statement, which is required by the Companies Act 2006, describes how the directors have had regard to the matters set out in Section 172(1a to 1f) including key decisions and matters that are of strategic importance to the company. The Directors, in line with their duties under Section 172 of the Companies Act 2006, act in a way they consider, in good faith would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term.

From the perspective of the company, decisions and policies relating to Section 172(1) are determined at group level and applied to the company, where relevant, by the Directors. Accordingly, further details in relation to how the directors have engaged with suppliers, customers, employees and other stakeholders are included in the financial statements of Priory Group UK 1 Limited, an intermediate parent of the company, which includes the company and does not form part of this report.

Approved by the Board on 16 September 2021 and signed on its behalf by:



.....  
Donna Shorto  
Director

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

## **Directors' Report for the Year Ended 31 December 2020**

The Directors present their report and the financial statements for the year ended 31 December 2020.

This report should be read in conjunction with the strategic report on page 2. The company has chosen in accordance with Section 414C(ii) of the Companies Act 2006 to set out in the strategic report the following which the directors believe to be of strategic importance:

- Business review;
- Principal risks and uncertainties; and
- Statements in relation to how directors have engaged with employees, suppliers, customers and others in a business relationship with the company.

### **Directors of the Company**

The directors who held office during the year were as follows:

Ryan Jervis (resigned 25 June 2021)

Trevor Torrington (resigned 25 June 2021)

The following directors were appointed after the year end:

Donna Shorto (appointed 25 June 2021)

James Barber-Lomax (appointed 25 June 2021)

James Hanna (appointed 25 June 2021)

The directors do not recommend the payment of a final dividend (2019: £nil). No dividends were paid during the year (2019: £nil).

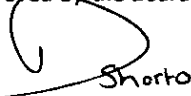
### **Financial instruments**

The company's operations mean that it is exposed to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The directors monitor the risks in order to limit the adverse effects on the financial performance by reviewing levels of debt finance and the related finance costs, however these are integrated with the risks of the group and not managed separately. Accordingly, the financial risk management policies of Priory Group UK 1 Limited, which include those of the company, are discussed in the group's financial statements which do not form part of this report.

### **Future developments**

The future developments of the company are aligned to the strategy of the UK group, headed by Priory Group UK 1 Limited. The group's strategy for the future development of the business is included in the group's financial statements, which do not form part of this report.

Approved by the Board on 16 September 2021 and signed on its behalf by:

  
.....  
Donna Shorto  
Director

## **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

### **Statement of Directors' Responsibilities**

The Directors acknowledge their responsibilities for preparing the Annual 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 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 apply them consistently;
- make judgements and accounting 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; 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.

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

## **Profit and Loss Account for the Year Ended 31 December 2020**

	<b>Note</b>	<b>2020 £ 000</b>	<b>2019 £ 000</b>
Turnover	3	873	873
Cost of sales		<u>(274)</u>	<u>(275)</u>
Operating profit	4	<u>599</u>	<u>598</u>
Profit before tax		599	598
Taxation	6	<u>(537)</u>	<u>(449)</u>
Profit for the financial year		<u><u>62</u></u>	<u><u>149</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

---

**MPT Llanarth Limited (formerly Partnerships in Care Property  
11 Limited)**

**Statement of Comprehensive Income for the Year Ended 31  
December 2020**

	<b>Note</b>	<b>2020 £ 000</b>	<b>2019 £ 000</b>
Profit for the year		<u>62</u>	<u>149</u>
Total comprehensive income for the year		<u>62</u>	<u>149</u>



# MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)

(Registration number: 05406140)  
Balance Sheet as at 31 December 2020

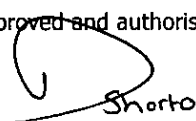
	Note	2020 £ 000	2019 £ 000
<b>Fixed assets</b>			
Tangible fixed assets	7	20,817	21,091
<b>Current assets</b>			
Debtors	8	41,671	41,238
<b>Creditors:</b> Amounts falling due within one year	9	(451)	(440)
<b>Net current assets</b>		<u>41,220</u>	<u>40,798</u>
<b>Total assets less current liabilities</b>		62,037	61,889
<b>Creditors:</b> Amounts falling due after more than one year	9	(19,392)	(19,392)
<b>Provisions for liabilities</b>		<u>(769)</u>	<u>(683)</u>
<b>Net assets</b>		<u>41,876</u>	<u>41,814</u>
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account		<u>41,876</u>	<u>41,814</u>
<b>Total equity</b>		<u>41,876</u>	<u>41,814</u>

For the financial year ending 31 December 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved and authorised by the Board on 16 September 2021 and signed on its behalf by:



Donna Shorto  
Director

**MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

**Statement of Changes in Equity for the Year Ended 31 December 2020**

	<b>Share capital £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total £ 000</b>
At 1 January 2020	-	41,814	41,814
Profit for the year	-	62	62
Total comprehensive income	-	62	62
At 31 December 2020	-	41,876	41,876

	<b>Share capital £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total £ 000</b>
At 1 January 2019	-	41,665	41,665
Profit for the year	-	149	149
Total comprehensive income	-	149	149
At 31 December 2019	-	41,814	41,814

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **1 General information**

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:

1st Floor, Senator House  
85 Queen Victoria Street  
London  
EC4V 4AB  
United Kingdom

These financial statements were authorised for issue by the Board on 16 September 2021.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **Basis of preparation**

The financial statements are presented in sterling, rounded to the nearest thousand. They are prepared on a going concern basis and under the historical cost convention. The principal accounting policies applied in the preparation of these financial statements are set out below, and, unless otherwise stated, these policies have been consistently applied to all the periods presented.

#### **Summary of disclosure exemptions**

The principle disclosure exemptions adopted by the company in accordance with FRS 102 are as follows:

- Statement of cash flows;
- Certain financial instrument disclosures;
- Disclosure of key management personnel compensation;
- Disclosures in respect of related party transactions entered into between fellow group companies (the company has no other related party transactions); and
- Roll-forward reconciliations in respect of share capital and tangible fixed assets.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

## **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

### **2 Accounting policies (continued)**

#### **Judgements**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period then ended. Management bases its estimates on historical experience and various other assumptions that are considered to be reasonable in the particular circumstances. Actual results may differ from these estimates.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the Company's activities.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **Tangible fixed assets**

Tangible fixed assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible fixed assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

##### **Asset class**

Freehold buildings

Fixtures and fittings

##### **Depreciation method and rate**

over 50 years

over 3 to 16 years

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

## **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

### **2 Accounting policies (continued)**

Motor vehicles over the shorter of the lease term and 4 years

#### **Leases**

Where assets are held for use in operating leases they are recorded as fixed assets and rental income is recognised on a straight-line basis over the period of the lease.

#### **Debtors**

Debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### **3 Revenue**

The analysis of the company's revenue for the year from continuing operations is as follows:

	<b>2020</b>	<b>2019</b>
	<b>£ 000</b>	<b>£ 000</b>
Rental income from investment property	<u>873</u>	<u>873</u>

### **4 Operating profit**

Arrived at after charging/(crediting)

	<b>2020</b>	<b>2019</b>
	<b>£ 000</b>	<b>£ 000</b>
Depreciation expense	<u>274</u>	<u>275</u>

# MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)

## Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

### 5 Directors' remuneration

The costs relating to the directors' services have been borne by Priory Central Services Limited, a fellow group company. No amounts have been recharged to the company in respect of the directors' services and the directors do not believe that it is practical to allocate these costs between group companies.

### 6 Taxation

Tax charged/(credited) in the income statement

	2020 £ 000	2019 £ 000
<b>Current taxation</b>		
UK corporation tax	451	440
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	86	9
Tax expense in the income statement	<u>537</u>	<u>449</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2019 - higher than the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £ 000	2019 £ 000
Profit before tax	<u>599</u>	<u>598</u>
Corporation tax at standard rate	114	114
Effect of expense not deductible in determining taxable profit (tax loss)	41	41
Deferred tax expense (credit) relating to changes in tax rates or laws	80	(1)
Tax increase (decrease) from transfer pricing adjustments	<u>302</u>	<u>295</u>
Total tax charge	<u>537</u>	<u>449</u>

The company's profits for this accounting year are taxed at an effective rate of 19% (2019: 19%).

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

## **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

### **6 Taxation (continued)**

#### **Deferred tax**

Deferred tax assets and liabilities

	<b>Liability £ 000</b>
<b>2020</b>	
Fixed asset timing differences	<u>(769)</u>
	<b>Liability £ 000</b>
<b>2019</b>	
Fixed asset timing differences	<u>(683)</u>

### **7 Tangible fixed assets**

	<b>Land and buildings £ 000</b>	<b>Total £ 000</b>
<b>Cost or valuation</b>		
At 1 January 2020	<u>25,596</u>	<u>25,596</u>
At 31 December 2020	<u>25,596</u>	<u>25,596</u>
<b>Depreciation</b>		
At 1 January 2020	4,505	4,505
Charge for the year	<u>274</u>	<u>274</u>
At 31 December 2020	<u>4,779</u>	<u>4,779</u>
<b>Carrying amount</b>		
At 31 December 2020	<u>20,817</u>	<u>20,817</u>
At 31 December 2019	<u>21,091</u>	<u>21,091</u>

# **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

## **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

### **8 Debtors**

	<b>2020</b> <b>£ 000</b>	<b>2019</b> <b>£ 000</b>
Amounts owed by related parties	<u>41,671</u>	<u>41,238</u>
Total current trade and other debtors	<u>41,671</u>	<u>41,238</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

### **9 Creditors**

	<b>Note</b>	<b>2020</b> <b>£ 000</b>	<b>2019</b> <b>£ 000</b>
<b>Due within one year</b>			
Income tax liability	6	<u>451</u>	<u>440</u>
<b>Due after one year</b>			
Loans and borrowings	11	<u>19,392</u>	<u>19,392</u>

### **10 Share capital**

#### **Allotted, called up and fully paid shares**

	<b>No.</b>	<b>2020</b> <b>£</b>	<b>No.</b>	<b>2019</b> <b>£</b>
Ordinary shares of £1 each	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

### **11 Loans and borrowings**

	<b>2020</b> <b>£ 000</b>	<b>2019</b> <b>£ 000</b>
<b>Non-current loans and borrowings</b>		
Other borrowings	<u>19,392</u>	<u>19,392</u>

The above amount is in respect of an inter-company loan with Partnerships in Care Property 1 Limited. The loan is non-interest bearing and repayable on the disposal of property owned by the Company, which the directors expect to be in more than one year.



## **MPT Llanarth Limited (formerly Partnerships in Care Property 11 Limited)**

### **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

#### **12 Parent and ultimate parent undertaking**

The company's immediate parent at 31 December 2020 was Partnerships in Care Investments 2 Limited, incorporated in the United Kingdom.

The ultimate parent at 31 December 2020 was Acadia Healthcare Company Inc., incorporated in the US.

##### **Relationship between entity and parents**

The parent of the largest group in which these financial statements are consolidated is Acadia Healthcare Company Inc., incorporated in United States of America.

The address of Acadia Healthcare Company Inc. is:  
830 Crescent Centre Drive, Suite 610, Franklin, TN 37067, United States of America.

The parent of the smallest group in which these financial statements are consolidated is Priory Group UK 1 Limited, incorporated in United Kingdom.

The address of Priory Group UK 1 Limited is:  
Fifth Floor, 80 Hammersmith Road, London, W14 8UD, United Kingdom.

On 19 January 2021 the entire share capital of AHC-WW Jersey Limited, a subsidiary of Acadia Healthcare Company Inc., was acquired by RemedcoUK Limited, a subsidiary of Waterland Private Equity Fund VII C.V., registered in the Netherlands. From this date the ultimate parent undertaking and controlling party was Waterland Private Equity Fund VII C.V..

On 25 June 2021 the entire share capital of the company was acquired by Medical Properties Trust Limited. From this date the ultimate parent undertaking and controlling party is Medical Properties Trust Limited.