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# **Priory Investments Holdings Limited**

**Annual Report and Unaudited Financial Statements**

**for the Year Ended 31 December 2016**

**Registration number: FC026138**

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# **Priory Investments Holdings Limited**

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# **Priory Investments Holdings Limited**

## **Company Information**

**Directors** Trevor Torrington  
Nigel Myers

**Company secretary** David Hall

**Registered office** c/o M&C Corporate Services Ltd  
PO Box 309GT  
Ugland House  
South Church Street  
George Town

## **Priory Investments Holdings Limited**

### **Strategic Report for the Year Ended 31 December 2016**

The Directors present their strategic report for the year ended 31 December 2016.

#### **Principal activity**

The principal activity of the company is to act as an investment holding company.

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

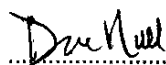
The results for the year are set out in the profit and loss account on page 5 and the position of the company as at the year end is set out in the balance sheet on page 7.

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 Partnerships in Care 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 principle risks and uncertainties of Partnerships in Care 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.

Approved by the Board on 31 August 2017 and signed on its behalf by:



.....  
David Hall  
Company secretary

# Priory Investments Holdings Limited

## Directors' Report for the Year Ended 31 December 2016

The Directors present their report and the financial statements for the year ended 31 December 2016.

### Directors of the Company

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

Tom Riall (resigned 30 November 2016)

Mark Moran (resigned 1 March 2016)

Trevor Torrington (appointed 30 November 2016)

Nigel Myers (appointed 30 November 2016)

The directors do not recommend the payment of a final dividend (2015: £nil). No dividends were paid during the year (2015: £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 Partnerships in Care UK 1 Limited, which include those of the company, are discussed in the group's annual report which does 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 Partnerships in Care UK 1 Limited. The group's strategy for the future development of the business is included in the group's annual report, which does not form part of this report.

### Going concern

The intermediate parent company, Partnerships in Care UK 1 Limited, has confirmed that it will continue to provide financial support to the company for the foreseeable future and for at least twelve months from the date of approval of these financial statements. Accordingly the financial statements have been prepared on the going concern basis.

### Auditors

The company is incorporated in the Cayman Islands and registered in both the Cayman Islands and the UK. The company is not required to publish audited financial statements. The purpose of these financial statements is to meet the obligations for filing in both the UK and the Cayman Islands. The filing requirements for the Cayman Islands are significantly less in scope than those for the UK. These financial statements have been prepared in accordance with applicable UK accounting standards and UK companies' legislation as applied to overseas companies and under the historical cost convention. References in these financial statements to the Companies Act and other legislation are therefore references to UK legislation. These financial statements comply the Companies Act 2006 as applied to overseas companies.

Approved by the Board on 31 August 2017 and signed on its behalf by:



.....  
David Hall  
Company secretary

## **Priory Investments Holdings 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.

## Priory Investments Holdings Limited

### Profit and Loss Account for the Year Ended 31 December 2016

	Note	2016 £ 000	2015 £ 000
Turnover		-	-
Operating profit/(loss)		-	-
Other interest receivable and similar income	3	131,009	116,685
Interest payable and similar charges	4	(16,371)	(14,658)
		114,638	102,027
Profit before tax		114,638	102,027
Taxation	6	(22,678)	(22,338)
Profit for the financial year		91,960	79,689

The above results were derived from continuing operations.

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

## **Priory Investments Holdings Limited**

### **Statement of Comprehensive Income for the Year Ended 31 December 2016**

	<b>Note</b>	<b>2016 £ 000</b>	<b>2015 £ 000</b>
Profit for the year		<u>91,960</u>	<u>79,689</u>
Total comprehensive income for the year		<u>91,960</u>	<u>79,689</u>

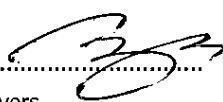


# Priory Investments Holdings Limited

## (Registration number: FC026138) Balance Sheet as at 31 December 2016

	Note	2016 £ 000	2015 £ 000
<b>Fixed assets</b>			
Investments	7	126,209	126,209
<b>Current assets</b>			
Debtors	8	1,248,143	1,117,135
Deferred tax asset	6	-	7,490
		1,248,143	1,124,625
<b>Creditors: Amounts falling due within one year</b>	9	(306,433)	(274,875)
<b>Net current assets</b>		941,710	849,750
<b>Total assets less current liabilities</b>		1,067,919	975,959
<b>Creditors: Amounts falling due after more than one year</b>	9	(15,638)	(15,638)
<b>Net assets</b>		1,052,281	960,321
<b>Capital and reserves</b>			
Called up share capital	10	409,544	409,544
Share premium reserve		3	3
Profit and loss account		642,734	550,774
<b>Total equity</b>		1,052,281	960,321

Approved and authorised by the Board on 31 August 2017 and signed on its behalf by:

.....  
Nigel Myers  
Director

## Priory Investments Holdings Limited

### Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2016	409,544	3	550,774	960,321
Profit for the year	-	-	91,960	91,960
Total comprehensive income	-	-	91,960	91,960
At 31 December 2016	409,544	3	642,734	1,052,281

	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2015	409,544	3	471,085	880,632
Profit for the year	-	-	79,689	79,689
Total comprehensive income	-	-	79,689	79,689
At 31 December 2015	409,544	3	550,774	960,321

# **Priory Investments Holdings Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2016**

### **1 General information**

The company is a private company limited by share capital incorporated in Cayman Islands.

The address of its registered office is:

c/o M&C Corporate Services Ltd  
PO Box 309GT  
Ugland House  
South Church Street  
George Town  
Cayman Islands

These financial statements were authorised for issue by the Board on 31 August 2017.

### **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.

The company has taken advantage of the exemption, under FRS 102 from preparing a statement of cash flows, on the basis that it is a qualifying entity and its intermediate parent company, Partnerships in Care UK 1 Limited, includes the company's cash flows in its own consolidated financial statements.

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#### **Going concern**

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

## **Priory Investments Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

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

##### **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.

##### **Investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

##### **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 Other interest receivable and similar income**

	<b>2016</b>	<b>2015</b>
	<b>£ 000</b>	<b>£ 000</b>
Other finance income	<u>131,009</u>	<u>116,685</u>

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 4 Interest payable and similar charges

	<b>2016</b>	<b>2015</b>
	<b>£ 000</b>	<b>£ 000</b>
Interest payable on loans from group undertakings	<u>16,371</u>	<u>14,658</u>

#### 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 (2015: £nil) 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

	<b>2016</b>	<b>2015</b>
	<b>£ 000</b>	<b>£ 000</b>
<b>Current taxation</b>		
UK corporation tax	15,187	21,506
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>7,491</u>	<u>832</u>
Tax expense in the income statement	<u>22,678</u>	<u>22,338</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2015 - higher than the standard rate of corporation tax in the UK) of 20% (2015 - 20.25%).

The differences are reconciled below:

	<b>2016</b>	<b>2015</b>
	<b>£ 000</b>	<b>£ 000</b>
Profit before tax	<u>114,638</u>	<u>102,027</u>
Corporation tax at standard rate	22,928	20,661
Deferred tax expense (credit) relating to changes in tax rates or laws	(833)	829
Tax increase (decrease) from transfer pricing adjustments	<u>583</u>	<u>848</u>
Total tax charge	<u>22,678</u>	<u>22,338</u>

The standard rate of corporation tax in the UK changed from 21% to 20% with effect from 1 April 2015. Accordingly, the company's profits for this accounting year are taxed at an effective rate of 20.00% (2015: 20.25%).

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 6 Taxation (continued)

The main rate of corporation tax has been reduced from 20% to 19% with effect from 1 April 2017 and from 19% to 17% with effect from 1 April 2020. These rate reductions have been substantively enacted by the year end, and therefore applied to the deferred tax balances.

#### 7 Investments in subsidiaries, joint ventures and associates

<b>Subsidiaries</b>	<b>£ 000</b>
<b>Cost or valuation</b>	
At 1 January 2016	<u>126,209</u>
At 31 December 2016	<u>126,209</u>
<b>Carrying amount</b>	
At 31 December 2016	<u>126,209</u>
At 31 December 2015	<u>126,209</u>

##### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

<b>Undertaking</b>	<b>Country of incorporation</b>	<b>Holding</b>	<b>Proportion of voting rights and shares held</b>	
			<b>2016</b>	<b>2015</b>
<b>Subsidiary undertakings</b>				
Priory Health No 1 Limited	Cayman Islands	Ordinary shares	100%	100%
Craegmoor Group Limited	United Kingdom	Ordinary shares	100%	100%
Priory Healthcare Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Medical Imaging (Essex) Limited	United Kingdom	Ordinary shares	100%	100%
Nottcor 6 Limited	United Kingdom	Ordinary shares	100%	100%
Priory Pension Trustee Limited	United Kingdom	Ordinary shares	100%	100%

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Investments in subsidiaries, joint ventures and associates (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
Priory Healthcare Investments Trustee Limited	United Kingdom	Ordinary shares	100%	100%
Priory Holdings Company No 1 Limited	Cayman Islands	Ordinary shares	100%	100%
Priory New Investments Limited	United Kingdom	Ordinary shares	100%	100%
Priory Services for Young People (IOM) Limited	Isle of Man	Ordinary shares	100%	100%
Priory Health No 2 Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Healthcare Investments Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Finance Company Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Finance Property Holdings No. 1 Limited	United Kingdom	Ordinary shares	100%	100%
Priory Finance Property Holdings No. 2 Limited	United Kingdom	Ordinary shares	100%	100%
Coxlease Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Coxlease School Limited	United Kingdom	Ordinary shares	100%	100%
Priory Healthcare Finance Co Limited	United Kingdom	Ordinary shares	100%	100%
Priory Group Limited	United Kingdom	Ordinary shares	100%	100%
Priory Securitisation Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Priory Behavioural Health Limited	United Kingdom	Ordinary shares	100%	100%
Employee Management Services Limited	United Kingdom	Ordinary shares	100%	100%
Care Continuums Limited	United Kingdom	Ordinary shares	100%	100%
Sturt House Clinic Limited	United Kingdom	Ordinary shares	100%	100%
Community Addiction Services Limited	United Kingdom	Ordinary shares	100%	100%
Public Health Solutions Limited	United Kingdom	Ordinary shares	100%	100%

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Investments in subsidiaries, joint ventures and associates (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
Priory Healthcare Europe Limited	United Kingdom	Ordinary shares	100%	100%
Fanplate Limited	United Kingdom	Ordinary shares	100%	100%
<i>Priory Securitisation Limited</i>	United Kingdom	Ordinary shares	100%	100%
Priory Grange (Holdings) Limited	United Kingdom	Ordinary shares	100%	100%
Priory Grange (St Neots) Limited	United Kingdom	Ordinary shares	100%	100%
Priory Grange (Potters Bar) Limited	United Kingdom	Ordinary shares	100%	100%
Priory Old Acute Services Limited	United Kingdom	Ordinary shares	100%	100%
Priory Old Grange Services Limited	United Kingdom	Ordinary shares	100%	100%
Priory Old Forensic Services Limited	United Kingdom	Ordinary shares	100%	100%
Priory Old Schools Services Limited	United Kingdom	Ordinary shares	100%	100%
Libra Health Limited	United Kingdom	Ordinary shares	100%	100%
Priory Rehabilitation Services Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Priory Specialist Health Limited	United Kingdom	Ordinary shares	100%	100%
Jacques Hall Developments Limited	United Kingdom	Ordinary shares	100%	100%
Blenheim Healthcare Limited	United Kingdom	Ordinary shares	100%	100%
<i>Highbank Private Hospital Limited</i>	United Kingdom	Ordinary shares	100%	100%
Jacques Hall Limited	United Kingdom	Ordinary shares	100%	100%
Robinson Kay House (Bury) Limited	United Kingdom	Ordinary shares	100%	100%
Farm Place Limited	United Kingdom	Ordinary shares	100%	100%
Priory Healthcare Services Limited	United Kingdom	Ordinary shares	100%	100%



## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Investments in subsidiaries, joint ventures and associates (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
Farleigh Schools Limited	United Kingdom	Ordinary shares	100%	100%
Eastwood Grange Company Limited	United Kingdom	Ordinary shares	100%	100%
Chelfham Senior School Limited	United Kingdom	Ordinary shares	100%	100%
Rossendale School Limited	United Kingdom	Ordinary shares	100%	100%
Autism (GB) Limited	United Kingdom	Ordinary shares	100%	100%
ZR Builders (Derby) Limited	United Kingdom	Ordinary shares	100%	100%
Solutions (Ross) Limited	United Kingdom	Ordinary shares	100%	100%
Solutions (Llangarron) Limited	United Kingdom	Ordinary shares	100%	100%
Mark College Limited	United Kingdom	Ordinary shares	100%	100%
Priory Hospitals Limited	United Kingdom	Ordinary shares	100%	100%
North Hill House Limited	United Kingdom	Ordinary shares	100%	100%
Libra Nursing Homes Limited	United Kingdom	Ordinary shares	100%	100%
Ticehurst House Private Clinic Limited	United Kingdom	Ordinary shares	100%	100%
Priory Holdings Company No 2 Limited	Cayman Islands	Ordinary shares	100%	100%
Cockermouth Propco Limited	United Kingdom	Ordinary shares	100%	100%
Fulford Grange Medical Centre Limited	United Kingdom	Ordinary shares	50%	50%
Priory Specialist Health Division Limited	United Kingdom	Ordinary shares	100%	100%
Priory Holdings Company No 3 Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Bristol (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Chadwick (Property) Limited	Cayman Islands	Ordinary shares	100%	100%

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Investments in subsidiaries, joint ventures and associates (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
Priory Coach House (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Condover (Property) Limited	United Kingdom	Ordinary shares	100%	100%
Priory Coombe House (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Eastwood Grange (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Eden Grove (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Farm Place (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Hemel Grange (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Hove (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Jacques Hall (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Marchwood (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Mark College (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Nottingham (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Roehampton (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Sheridan House (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Sketchley Hall (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Solutions (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Sturt (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Tadley Court (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Unsted Park (Property) Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Widnes (Property) Limited	Cayman Islands	Ordinary shares	100%	100%

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Investments in subsidiaries, joint ventures and associates (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
Priory Healthcare Limited	United Kingdom	Ordinary shares	100%	100%
Priory Rehabilitation Services Limited	United Kingdom	Ordinary shares	100%	100%
Priory Education Services Limited	United Kingdom	Ordinary shares	100%	100%
Priory Central Services Limited	United Kingdom	Ordinary shares	100%	100%
Velocity Healthcare Limited	United Kingdom	Ordinary shares	100%	100%
Renova LLP	United Kingdom	Membership capital	100%	100%
<i>Priory (Thetford 1) Limited</i>	<i>United Kingdom</i>	<i>Ordinary shares</i>	<i>100%</i>	<i>100%</i>
Priory (Thetford 2) Limited	United Kingdom	Ordinary shares	100%	100%
Thetford Trustee LLP	United Kingdom	Membership capital	100%	100%
Castlecure Group Limited	United Kingdom	Ordinary shares	100%	100%
Castlecure Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Castle Homes Care Limited	United Kingdom	Ordinary shares	100%	100%
Castle Homes Limited	United Kingdom	Ordinary shares	100%	100%
Quantum Care (UK) Limited	United Kingdom	Ordinary shares	100%	100%
Castlecure Cymru Limited	United Kingdom	Ordinary shares	100%	100%
Castlecure Education Limited	United Kingdom	Ordinary shares	100%	100%
Rothcare Estates Limited	United Kingdom	Ordinary shares	100%	100%
C O Developments Limited	United Kingdom	Ordinary shares	100%	100%
Priory Care Homes Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Helden Homes Limited	United Kingdom	Ordinary shares	100%	100%

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Investments in subsidiaries, joint ventures and associates (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
Priory New Investments No. 2 Limited	United Kingdom	Ordinary shares	100%	100%
Priory Investments No. 3 Limited	United Kingdom	Ordinary shares	100%	100%
Affinity Healthcare Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Priory New Education Services Limited	United Kingdom	Ordinary shares	100%	100%
Priory (Troup House) Limited	United Kingdom	Ordinary shares	100%	100%
Dunhall Property Limited	United Kingdom	Ordinary shares	100%	100%
Affinity Healthcare Limited	United Kingdom	Ordinary shares	100%	100%
Affinity Hospitals Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Affinity Hospitals Group Limited	United Kingdom	Ordinary shares	100%	100%
Affinity Hospitals Limited	United Kingdom	Ordinary shares	100%	100%
Cheadle Royal Healthcare Limited	United Kingdom	Ordinary shares	100%	100%
Middleton St George Healthcare Limited	United Kingdom	Ordinary shares	100%	100%
Cheadle Royal Hospital Limited	United Kingdom	Ordinary shares	100%	100%
Cheadle Royal Residential Services Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Group (No.1) Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Group (No.2) Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Group (No.3) Limited	United Kingdom	Ordinary shares	100%	100%
Amore Group (Holdings) Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Group (No.5) Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Group (No.6) Limited	United Kingdom	Ordinary shares	100%	100%

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Investments in subsidiaries, joint ventures and associates (continued)

<b>Undertaking</b>	<b>Country of incorporation</b>	<b>Holding</b>	<b>Proportion of voting rights and shares held</b>	
Craegmoor Limited	United Kingdom	Ordinary shares	100%	100%
Amore Care Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Facilities Company Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Hospitals (Holdings) Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Learning (Holdings) Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Care (Holdings) Limited	United Kingdom	Ordinary shares	100%	100%
Speciality Care Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor (Harbour Care) Limited	United Kingdom	Ordinary shares	100%	100%
Harbour Care (UK) Limited	United Kingdom	Ordinary shares	100%	100%
Speciality Care (Rest Homes) Limited	United Kingdom	Ordinary shares	100%	100%
Strathmore College Limited	United Kingdom	Ordinary shares	100%	100%
Speciality Care (Medicare) Limited	United Kingdom	Ordinary shares	100%	100%
Specialised Courses Offering Purposeful Education Limited	United Kingdom	Ordinary shares	100%	100%
Independent Community Living (Holdings) Limited	United Kingdom	Ordinary shares	100%	100%
Burnside Care Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Healthcare Company Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Supporting You Limited	United Kingdom	Ordinary shares	100%	100%
Greymount Properties Limited	United Kingdom	Ordinary shares	100%	100%
Parkcare Homes (No. 2) Limited	United Kingdom	Ordinary shares	100%	100%
Autism TASCC Services Limited	United Kingdom	Ordinary shares	100%	100%

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Investments in subsidiaries, joint ventures and associates (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
Cotswold Care Services Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Craegmoor Homes Limited	United Kingdom	Ordinary shares	100%	100%
J C Care Limited	United Kingdom	Ordinary shares	100%	100%
Johnston Care Limited	United Kingdom	Ordinary shares	100%	100%
Lambs Support Services Limited	United Kingdom	Ordinary shares	100%	100%
Positive Living Limited	United Kingdom	Ordinary shares	100%	100%
Sapphire Care Services Limited	United Kingdom	Ordinary shares	100%	100%
Treehome Limited	United Kingdom	Ordinary shares	100%	100%
Grovedraft Limited	United Kingdom	Ordinary shares	100%	100%
Peninsula Autism Services and Support Limited	United Kingdom	Ordinary shares	100%	100%
High Quality Lifestyles Limited	United Kingdom	Ordinary shares	100%	100%
New Directions (Hastings) Limited	United Kingdom	Ordinary shares	100%	100%
New Directions (Bexhill) Limited	United Kingdom	Ordinary shares	100%	100%
New Directions (Robertsbridge) Limited	United Kingdom	Ordinary shares	100%	100%
New Directions (St. Leonards on Sea) Limited	United Kingdom	Ordinary shares	100%	100%
Lansdowne Road Limited	United Kingdom	Ordinary shares	100%	100%
Lothlorien Community Limited	United Kingdom	Ordinary shares	100%	100%
R. J. Homes Limited	United Kingdom	Ordinary shares	100%	100%
Heddfan Care Limited	United Kingdom	Ordinary shares	100%	100%

## **Priory Investments Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

#### **7 Investments in subsidiaries, joint ventures and associates (continued)**

<b>Undertaking</b>	<b>Country of incorporation</b>	<b>Holding</b>	<b>Proportion of voting rights and shares held</b>	
Conquest Care Homes (Norfolk) Limited	United Kingdom	Ordinary shares	100%	100%
Conquest Care Homes (Peterborough) Limited	United Kingdom	Ordinary shares	100%	100%
Conquest Care Homes (Soham) Limited	United Kingdom	Ordinary shares	100%	100%
Ferguson Care Limited	United Kingdom	Ordinary shares	100%	100%
Speciality Care (Learning Disabilities) Limited	United Kingdom	Ordinary shares	100%	100%
Speciality Care (Rehab) Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Prestwick) Limited	United Kingdom	Ordinary shares	100%	100%
Amore Elderly Care Holdings Limited	United Kingdom	Ordinary shares	100%	100%
Amore Elderly Care (Wednesfield) Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Ben Madigan) Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Warrenpoint) Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Watton) Limited	United Kingdom	Ordinary shares	100%	100%
Amore Care Limited	United Kingdom	Ordinary shares	100%	100%
Speciality Healthcare Limited	United Kingdom	Ordinary shares	100%	100%
Health & Care Services (NW) Limited	United Kingdom	Ordinary shares	100%	100%
Speciality Care (Addison Court) Limited	United Kingdom	Ordinary shares	100%	100%
Speciality Care (EMI) Limited	United Kingdom	Ordinary shares	100%	100%
Speciality Care (UK Lease Homes) Limited	United Kingdom	Ordinary shares	100%	100%
Parkcare Homes Limited	United Kingdom	Ordinary shares	100%	100%
Health & Care Services (UK) Limited	United Kingdom	Ordinary shares	100%	100%

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Investments in subsidiaries, joint ventures and associates (continued)

<b>Undertaking</b>	<b>Country of incorporation</b>	<b>Holding</b>	<b>Proportion of voting rights and shares held</b>	
Amore (Stoke 1) Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Wednesfield 1) Limited	United Kingdom	Ordinary shares	100%	100%
S P Cockermouth Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Coventry) Limited	Isle of Man	Ordinary shares	100%	100%
Yorkshire Parkcare Company Limited	United Kingdom	Ordinary shares	100%	100%
Speciality Care (Rest Care) Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Bourne) Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Cockermouth) Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Ings Road) Limited	United Kingdom	Ordinary shares	100%	100%
Amore Elderly Care Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Stoke 2) Limited	United Kingdom	Ordinary shares	100%	100%
Stoke 3 Limited	United Kingdom	Ordinary shares	100%	100%
Amore (Wednesfield 2) Limited	United Kingdom	Ordinary shares	100%	100%
Wednesfield 3 Limited	United Kingdom	Ordinary shares	100%	100%
Stoke Trustee (No 2) LLP	United Kingdom	Membership capital	100%	100%
Wednesfield Trustee LLP	United Kingdom	Membership capital	100%	100%
Wednesfield Trustee (No 2) LLP	United Kingdom	Membership capital	100%	100%
Stoke Trustee LLP	United Kingdom	Membership capital	100%	100%
Priory Finance Property LLP	United Kingdom	Membership capital	100%	100%
Life Works Community Limited	United Kingdom	Ordinary shares	100%	100%



## **Priory Investments Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

#### **7 Investments in subsidiaries, joint ventures and associates (continued)**

<b>Undertaking</b>	<b>Country of incorporation</b>	<b>Holding</b>	<b>Proportion of voting rights and shares held</b>	
Progress Care (Holdings) Limited	United Kingdom	Ordinary shares	100%	100%
Progress Care and Education Limited	United Kingdom	Ordinary shares	100%	100%
Progress Adult Services Limited	United Kingdom	Ordinary shares	100%	100%

## **Priory Investments Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

#### **7 Investments in subsidiaries, joint ventures and associates (continued)**

The principal activity of Priory Health No 1 Limited is to act as a holding company.

The principal activity of Craegmoor Group Limited is to act as a holding company.

The principal activity of Priory Healthcare Holdings Limited is to act as a holding company.

The principal activity of Medical Imaging (Essex) Limited is non trading.

The principal activity of Nottcor 6 Limited is non trading.

The principal activity of Priory Pension Trustee Limited is to act as a trustee company.

The principal activity of Priory Healthcare Investments Trustee Limited is to act as an investment trustee company.

The principal activity of Priory Holdings Company No 1 Limited is to act as a holding company

The principal activity of Priory New Investments Limited is to act as a holding company.

The principal activity of Priory Services for Young People (IOM) Limited is non trading.

The principal activity of Priory Health No 2 Limited is to act as holding company

The principal activity of Priory Healthcare Investments Limited is to act as a holding company.

The principal activity of Priory Finance Company Limited is financing.

The principal activity of Priory Finance Property Holdings No. 1 Limited is non trading.

The principal activity of Priory Finance Property Holdings No. 2 Limited is non trading.

The principal activity of Coxlease Holdings Limited is non trading.

The principal activity of Coxlease School Limited is Non trading

The principal activity of Priory Healthcare Finance Co Limited is non trading.

The principal activity of Priory Group Limited is non trading.

The principal activity of Priory Securitisation Holdings Limited is Non trading

The principal activity of Priory Behavioural Health Limited is non trading.

The principal activity of Employee Management Services Limited is non trading.

The principal activity of Care Continuums Limited is non trading.

The principal activity of Sturt House Clinic Limited is non trading.

The principal activity of Community Addiction Services Limited is Non trading

The principal activity of Public Health Solutions Limited is non trading.

The principal activity of Priory Healthcare Europe Limited is non trading.

The principal activity of Fanplate Limited is non trading.

The principal activity of Priory Securitisation Limited is non trading.

The principal activity of Priory Grange (Holdings) Limited is non trading.

The principal activity of Priory Grange (St Neots) Limited is non trading.

The principal activity of Priory Grange (Potters Bar) Limited is non trading.

The principal activity of Priory Old Acute Services Limited is non trading.

The principal activity of Priory Old Grange Services Limited is non trading.

## **Priory Investments Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

#### **7 Investments in subsidiaries, joint ventures and associates (continued)**

The principal activity of Priory Old Forensic Services Limited is non trading.

The principal activity of Priory Old Schools Services Limited is non trading.

The principal activity of Libra Health Limited is non trading.

The principal activity of Priory Rehabilitation Services Holdings Limited is non trading.

The principal activity of Priory Specialist Health Limited is non trading.

The principal activity of Jacques Hall Developments Limited is non trading.

The principal activity of Blenheim Healthcare Limited is non trading.

The principal activity of Highbank Private Hospital Limited is non trading.

The principal activity of Jacques Hall Limited is non trading.

The principal activity of Robinson Kay House (Bury) Limited is non trading.

The principal activity of Farm Place Limited is non trading.

The principal activity of Priory Healthcare Services Limited is non trading.

The principal activity of Farleigh Schools Limited is non trading.

The principal activity of Eastwood Grange Company Limited is non trading.

The principal activity of Chelfham Senior School Limited is non trading.

The principal activity of Rossendale School Limited is non trading.

The principal activity of Autism (GB) Limited is non trading..

The principal activity of ZR Builders (Derby) Limited is non trading..

The principal activity of Solutions (Ross) Limited is non trading..

The principal activity of Solutions (Llangarron) Limited is non trading..

The principal activity of Mark College Limited is non trading..

The principal activity of Priory Hospitals Limited is non trading..

The principal activity of North Hill House Limited is non trading..

The principal activity of Libra Nursing Homes Limited is non trading..

The principal activity of Ticehurst House Private Clinic Limited is non trading..

The principal activity of Priory Holdings Company No 2 Limited is to act as a holding company..

The principal activity of Cockermouth Propco Limited is property development..

The principal activity of Fulford Grange Medical Centre Limited is non trading..

The principal activity of Priory Specialist Health Division Limited is non trading..

The principal activity of Priory Holdings Company No 3 Limited is to act as a holding company..

The principal activity of Priory Bristol (Property) Limited is property development..

The principal activity of Priory Chadwick (Property) Limited is property development..

The principal activity of Priory Coach House (Property) Limited is property development.

The principal activity of Priory Condover (Property) Limited is property development..

## **Priory Investments Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

#### **7 Investments in subsidiaries, joint ventures and associates (continued)**

The principal activity of Priory Coombe House (Property) Limited is property development..

The principal activity of Priory Eastwood Grange (Property) Limited is property development..

The principal activity of Priory Eden Grove (Property) Limited is property development..

The principal activity of Priory Farm Place (Property) Limited is property development..

The principal activity of Priory Hemel Grange (Property) Limited is property development..

The principal activity of Priory Hove (Property) Limited is property development..

The principal activity of Priory Jacques Hall (Property) Limited is property development..

The principal activity of Priory Marchwood (Property) Limited is property development..

The principal activity of Priory Mark College (Property) Limited is property development..

The principal activity of Priory Nottingham (Property) Limited is property development..

The principal activity of Priory Roehampton (Property) Limited is property development..

The principal activity of Priory Sheridan House (Property) Limited is property development..

The principal activity of Priory Sketchley Hall (Property) Limited is property development..

The principal activity of Priory Solutions (Property) Limited is property development..

The principal activity of Priory Sturt (Property) Limited is property development..

The principal activity of Priory Tadley Court (Property) Limited is property development..

The principal activity of Priory Unsted Park (Property) Limited is property development..

The principal activity of Priory Widnes (Property) Limited is property development..

The principal activity of Priory Healthcare Limited is specialist healthcare..

The principal activity of Priory Rehabilitation Services Limited is brain injury rehabilitation services..

The principal activity of Priory Education Services Limited is schools for children with special needs..

The principal activity of Priory Central Services Limited is management services..

The principal activity of Velocity Healthcare Limited is specialist healthcare..

The principal activity of Renova LLP is non trading..

The principal activity of Priory (Thetford 1) Limited is non trading..

The principal activity of Priory (Thetford 2) Limited is non trading..

The principal activity of Thetford Trustee LLP is non trading..

The principal activity of Castlecure Group Limited is non trading..

The principal activity of Castlecure Holdings Limited is non trading..

The principal activity of Castle Homes Care Limited is children's care homes.

The principal activity of Castle Homes Limited is children's care homes..

The principal activity of Quantum Care (UK) Limited is children's care homes..

The principal activity of Castlecure Cymru Limited is children's care homes..

The principal activity of Castlecure Education Limited is specialist education services..

## **Priory Investments Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

#### **7 Investments in subsidiaries, joint ventures and associates (continued)**

The principal activity of Rothcare Estates Limited is a property company..

The principal activity of C O Developments Limited is property development..

The principal activity of Priory Care Homes Holdings Limited is non trading..

The principal activity of Helden Homes Limited is rehabilitation services..

The principal activity of Priory New Investments No. 2 Limited is to act as a holding company..

The principal activity of Priory Investments No. 3 Limited is to act as a holding company..

The principal activity of Affinity Healthcare Holdings Limited is to act as a holding company..

The principal activity of Priory New Education Services Limited is specialist education services..

The principal activity of Priory (Troup House) Limited is specialist education services..

The principal activity of Dunhall Property Limited is non trading..

The principal activity of Affinity Healthcare Limited is to act as a holding company..

The principal activity of Affinity Hospitals Holdings Limited is to act as a holding company..

The principal activity of Affinity Hospitals Group Limited is to act as a holding company..

The principal activity of Affinity Hospitals Limited is to act as a holding company..

The principal activity of Cheadle Royal Healthcare Limited is private healthcare..

The principal activity of Middleton St George Healthcare Limited is private healthcare..

The principal activity of Cheadle Royal Hospital Limited is non trading..

The principal activity of Cheadle Royal Residential Services Limited is non trading..

The principal activity of Craegmoor Group (No.1) Limited is to act as a holding company..

The principal activity of Craegmoor Group (No.2) Limited is to act as a holding company..

The principal activity of Craegmoor Group (No.3) Limited is to act as a holding company..

The principal activity of Amore Group (Holdings) Limited is to act as a holding company..

The principal activity of Craegmoor Group (No.5) Limited is to act as a holding company..

The principal activity of Craegmoor Group (No.6) Limited is to act as a holding company..

The principal activity of Craegmoor Limited is to act as a holding company..

The principal activity of Amore Care Holdings Limited is to act as a holding company..

The principal activity of Craegmoor Facilities Company Limited is the supply of services..

The principal activity of Craegmoor Hospitals (Holdings) Limited is to act as a holding company..

The principal activity of Craegmoor Learning (Holdings) Limited is to act as a holding company..

The principal activity of Craegmoor Care (Holdings) Limited is to act as a holding company..

The principal activity of Speciality Care Limited is to act as a holding company..

The principal activity of Craegmoor (Harbour Care) Limited is to act as a holding company..

The principal activity of Harbour Care (UK) Limited is care delivery.

The principal activity of Speciality Care (Rest Homes) Limited is care delivery..

## **Priory Investments Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

#### **7 Investments in subsidiaries, joint ventures and associates (continued)**

The principal activity of Strathmore College Limited is care delivery..

The principal activity of Speciality Care (Medicare) Limited is to act as a holding company..

*The principal activity of Specialised Courses Offering Purposeful Education Limited is care delivery..*

The principal activity of Independent Community Living (Holdings) Limited is to act as a holding company..

The principal activity of Burnside Care Limited is care delivery..

The principal activity of Craegmoor Healthcare Company Limited is non trading..

The principal activity of Craegmoor Supporting You Limited is care delivery..

The principal activity of Greymount Properties Limited is care delivery..

The principal activity of Parkcare Homes (No. 2) Limited is care delivery..

The principal activity of Autism TASC Services Limited is care delivery..

The principal activity of Cotswold Care Services Limited is care delivery..

The principal activity of Craegmoor Holdings Limited is care delivery..

The principal activity of Craegmoor Homes Limited is care delivery.

The principal activity of J C Care Limited is care delivery.

The principal activity of Johnston Care Limited is care delivery.

The principal activity of Lambs Support Services Limited is care delivery.

The principal activity of Positive Living Limited is care delivery.

The principal activity of Sapphire Care Services Limited is care delivery.

The principal activity of Treehome Limited is care delivery.

The principal activity of Grovedraft Limited is non trading.

The principal activity of Peninsula Autism Services and Support Limited is care delivery.

The principal activity of High Quality Lifestyles Limited is care delivery.

The principal activity of New Directions (Hastings) Limited is care delivery.

The principal activity of New Directions (Bexhill) Limited is care delivery.

*The principal activity of New Directions (Robertsbridge) Limited is care delivery.*

The principal activity of New Directions (St. Leonards on Sea) Limited is care delivery.

The principal activity of Lansdowne Road Limited is care delivery.

The principal activity of Lothlorien Community Limited is care delivery.

The principal activity of R. J. Homes Limited is care delivery.

The principal activity of Heddfan Care Limited is care delivery.

The principal activity of Conquest Care Homes (Norfolk) Limited is care delivery.

The principal activity of Conquest Care Homes (Peterborough) Limited is care delivery.

The principal activity of Conquest Care Homes (Soham) Limited is care delivery.

The principal activity of Ferguson Care Limited is care delivery.

## **Priory Investments Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

#### **7 Investments in subsidiaries, joint ventures and associates (continued)**

The principal activity of Speciality Care (Learning Disabilities) Limited is care delivery.

The principal activity of Speciality Care (Rehab) Limited is care delivery.

The principal activity of Amore (Prestwick) Limited is Elderly care services.

The principal activity of Amore Elderly Care Holdings Limited is elderly care services.

The principal activity of Amore Elderly Care (Wednesfield) Limited is elderly care services.

The principal activity of Amore (Ben Madigan) Limited is elderly care services.

The principal activity of Amore (Warrenpoint) Limited is elderly care services.

The principal activity of Amore (Watton) Limited is elderly care services.

The principal activity of Amore Care Limited is elderly care services.

The principal activity of Speciality Healthcare Limited is elderly care services.

The principal activity of Health & Care Services (NW) Limited is elderly care services.

The principal activity of Speciality Care (Addison Court) Limited is elderly care services.

The principal activity of Speciality Care (EMI) Limited is elderly care services.

The principal activity of Speciality Care (UK Lease Homes) Limited is Elderly care services.

The principal activity of Parkcare Homes Limited is Elderly care services.

The principal activity of Health & Care Services (UK) Limited is Elderly care services.

The principal activity of Amore (Stoke 1) Limited is Elderly care services.

The principal activity of Amore (Wednesfield 1) Limited is Elderly care services.

The principal activity of S P Cockermouth Limited is Elderly care services.

The principal activity of Amore (Coventry) Limited is Elderly care services.

The principal activity of Yorkshire Parkcare Company Limited is Elderly care services.

The principal activity of Speciality Care (Rest Care) Limited is non trading.

The principal activity of Amore (Bourne) Limited is non trading.

The principal activity of Amore (Cockermouth) Limited is non trading.

The principal activity of Amore (Ings Road) Limited is non trading.

The principal activity of Amore Elderly Care Limited is elderly care services.

The principal activity of Amore (Stoke 2) Limited is non trading.

The principal activity of Amore (Wednesfield 2) Limited is non trading.

The principal activity of Wednesfield 3 Limited is non trading.

The principal activity of Stoke Trustee (No 2) LLP is non trading.

The principal activity of Wednesfield Trustee LLP is non trading.

The principal activity of Wednesfield Trustee (No 2) LLP is non trading.

The principal activity of Stoke Trustee LLP is non trading.

The principal activity of Priory Finance Property LLP is to hold and lease properties.

## **Priory Investments Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

#### **7 Investments in subsidiaries, joint ventures and associates (continued)**

The principal activity of Life Works Community Limited is specialist healthcare.

The principal activity of Progress Care (Holdings) Limited is to act as a holding company.

The principal activity of Progress Care and Education Limited is children's care homes.

The principal activity of Progress Adult Services Limited is Care delivery.



**Priory Investments Holdings Limited**

**Notes to the Financial Statements for the Year Ended 31  
December 2016 (continued)**

**7 Investments in subsidiaries, joint ventures and associates (continued)**

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Investments in subsidiaries, joint ventures and associates (continued)

#### 8 Debtors

	2016 £ 000	2015 £ 000
Amounts owed by related parties	1,248,143	1,117,135
Total current trade and other debtors	<u>1,248,143</u>	<u>1,117,135</u>

Amounts owed by related parties comprises £1,222,743,000 (2015: £1,091,735,000) which is unsecured and bears interest at 12% per annum and £25,400,000 (2015: £25,400,000) which is interest free, unsecured and repayable on demand.

#### 9 Creditors

	Note	2016 £ 000	2015 £ 000
<b>Due within one year</b>			
Amounts due to related parties		276,773	238,896
Accrued expenses		14,473	14,473
Income tax liability	6	<u>15,187</u>	<u>21,506</u>
		<u>306,433</u>	<u>274,875</u>
<b>Due after one year</b>			
Loans and borrowings	11	<u>15,638</u>	<u>15,638</u>

Amounts due to related parties includes £147,955,000 (2015: £132,103,000) of loan notes, PIK notes and accrued interest. The loan notes and PIK notes bear interest at 12% per annum and are unsecured. Other amounts due to related parties are unsecured, non-interest bearing and repayable on demand.

## Priory Investments Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 10 Share capital

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

	No. 000	2016 £ 000	No. 000	2015 £ 000
Ordinary shares of £1 each	<u>409,544</u>	<u>409,544</u>	<u>409,544</u>	<u>409,544</u>

#### 11 Loans and borrowings

	2016 £ 000	2015 £ 000
<b>Non-current loans and borrowings</b>		
Amounts owed to group undertakings	<u>15,638</u>	<u>15,638</u>

Amounts owed to group undertakings are unsecured, bear interest at LIBOR plus 2.25% per annum and are payable on demand. However, the relevant group undertaking has confirmed to the directors of the company that it will not seek repayment of this loan within twelve months after the year end and accordingly these amounts have been shown as amounts falling due after more than one year.

#### 12 Parent and ultimate parent undertaking

The company's immediate parent is Priory Group No. 3 Limited, incorporated in the United Kingdom.

The ultimate parent is 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 Partnerships in Care UK 1 Limited, incorporated in United Kingdom.

The address of Partnerships in Care UK 1 Limited is:  
Fifth Floor, 80 Hammersmith Road, London, W14 8UD, United Kingdom