

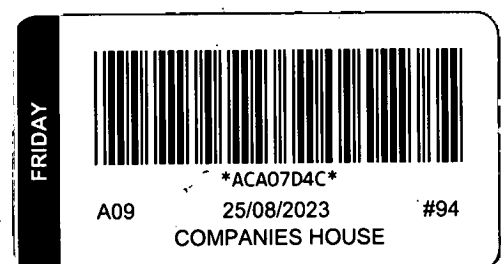
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Priory Investments Holdings Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022

Registration number: FC026138



Priory Investments Holdings Limited

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Priory Investments Holdings Limited

Company Information

Directors David Hall

Jim Lee

Company secretary David Hall

Registered office c/o M&C Corporate Services Ltd
PO Box 309GT
Ugland House
South Church Street
George Town
W14-8UD

Priory Investments Holdings Limited

Strategic Report for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

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 6 and the position of the company as at the year end is set out in the balance sheet on page 8.

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 principle 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.

Approved and authorised by the Board on 31 July 2023 and signed on its behalf by:

David Hall

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David Hall
Company secretary and director

Priory Investments Holdings Limited

Directors' Report for the Year Ended 31 December 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

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; and
- Principal risks and uncertainties.

Directors of the company

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

David Hall - Company secretary and director

Jim Lee

The directors do not recommend the payment of a final dividend (2021: £nil). A dividend of £3,069,000 (£0.0075 per share) was paid during the year (2021: £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 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 Priory Group 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, Priory Group 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.

Priory Investments Holdings Limited

Directors' Report for the Year Ended 31 December 2022 (continued)

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 and authorised by the Board on 31 July 2023 and signed on its behalf by:

David Hall

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David Hall
Company secretary and director

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 United Kingdom 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 2022

	Note	2022 £ 000	2021 £ 000
Turnover		-	-
Operating profit/(loss)		-	-
Interest payable and similar charges	3	(477)	(28,302)
Loss before tax		(477)	(28,302)
Taxation	5	(21,453)	(8,849)
Loss for the financial year		<u>(21,930)</u>	<u>(37,151)</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.

Priory Investments Holdings Limited

Statement of Comprehensive Income for the Year Ended 31 December 2022

	2022 £ 000	2021 £ 000
Loss for the year	<u>(21,930)</u>	<u>(37,151)</u>
Total comprehensive income for the year	<u><u>(21,930)</u></u>	<u><u>(37,151)</u></u>

Priory Investments Holdings Limited

(Registration number: FC026138)

Balance Sheet as at 31 December 2022

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Investments	6	126,209	126,209
Current assets			
Debtors	7	1,556,141	1,505,605
Creditors: Amounts falling due within one year	8	<u>(527,614)</u>	<u>(455,148)</u>
Net current assets		<u>1,028,527</u>	<u>1,050,457</u>
Total assets less current liabilities		1,154,736	1,176,666
Creditors: Amounts falling due after more than one year	8	<u>(15,638)</u>	<u>(15,638)</u>
Net assets		<u>1,139,098</u>	<u>1,161,028</u>
Capital and reserves			
Called up share capital	10	409,544	409,544
Share premium reserve		3	3
Profit and loss account		<u>729,551</u>	<u>751,481</u>
Total equity		<u>1,139,098</u>	<u>1,161,028</u>

Approved and authorised by the Board on 31 July 2023 and signed on its behalf by:



 Jim Lee
 Director

The notes on pages 10 to 27 form an integral part of these financial statements.

Priory Investments Holdings Limited

Statement of Changes in Equity for the Year Ended 31 December 2022

	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2022	409,544	3	751,481	1,161,028
Loss for the year	-	-	(21,930)	(21,930)
Total comprehensive income	-	-	(21,930)	(21,930)
At 31 December 2022	409,544	3	729,551	1,139,098

	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2021	409,544	3	791,701	1,201,248
Loss for the year	-	-	(37,151)	(37,151)
Total comprehensive income	-	-	(37,151)	(37,151)
Dividends	-	-	(3,069)	(3,069)
At 31 December 2021	409,544	3	751,481	1,161,028

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

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

W14 8UD

United Kingdom

These financial statements were authorised for issue by the Board on 31 July 2023.

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 United Kingdom and Republic of Ireland and the Companies Act 2006'.

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.

Group accounts not prepared

The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements on the grounds that it is included in the consolidated financial statements of a parent undertaking. These financial statements present information about the company as an individual undertaking and not about its group.

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Going concern

The intermediate parent company, Priory Group 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.

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.

Tax

The tax expense for the period comprises current 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.

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.

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.

Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Interest payable and similar expenses

	2022 £ 000	2021 £ 000
Interest payable on loans from group undertakings	477	28,302

4 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.

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

5 Taxation

Tax charged/(credited) in the profit and loss account

	2022 £ 000	2021 £ 000
Current taxation		
UK corporation tax	<u>21,453</u>	<u>8,849</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £ 000	2021 £ 000
Loss before tax	<u>(477)</u>	<u>(28,302)</u>
Corporation tax at standard rate	(91)	(5,377)
Tax increase from transfer pricing adjustments	<u>21,544</u>	<u>14,226</u>
Total tax charge	<u>21,453</u>	<u>8,849</u>

Finance Bill 2021 was substantively enacted on 24 May 2021; this legislation increases the main rate of corporation tax to 25% with effect from 1 April 2023.

6 Investments

Subsidiaries	£ 000
Cost or valuation	
At 1 January 2022	<u>126,209</u>
At 31 December 2022	<u>126,209</u>
Carrying amount	
At 31 December 2022	<u>126,209</u>
At 31 December 2021	<u>126,209</u>

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

Details of undertakings

Details of the investments the company holds are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertakings				
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 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%

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
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%
Sturt House Clinic Limited	United Kingdom	Ordinary shares	100%	100%
Fanplate Limited	United Kingdom	Ordinary shares	100%	100%
Priory Securitisation Limited	United Kingdom	Ordinary shares	100%	100%
Priory Grange (Holdings) 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%
Jacques Hall Limited	United Kingdom	Ordinary shares	100%	100%
Robinson Kay House (Bury) Limited	United Kingdom	Ordinary shares	100%	100%
Farleigh Schools Limited	United Kingdom	Ordinary shares	100%	100%
Chelfham Senior School Limited	United Kingdom	Ordinary shares	100%	100%
Autism (GB) Limited	United Kingdom	Ordinary shares	100%	100%
Solutions (Llangarron) Limited	United Kingdom	Ordinary shares	100%	100%

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
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 Holdings Company No.3 Limited	Cayman Islands	Ordinary shares	100%	100%
Priory Healthcare Limited	United Kingdom	Ordinary shares	100%	100%
Priory Rehabilitation 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%
Castle Homes 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 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%
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%

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
Cheadle Royal Healthcare Limited	United Kingdom	Ordinary shares	100%	100%
Middleton St George Healthcare 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%
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%
Craegmoor (Harbour Care) Limited	United Kingdom	Ordinary shares	100%	100%
Harbour Care (UK) 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%

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
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%
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%

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
Lothlorien Community Limited	United Kingdom	Ordinary shares	100%	100%
R. J. Homes Limited	United Kingdom	Ordinary shares	100%	100%
Strathmore Care Services Limited	United Kingdom	Ordinary shares	100%	100%
Heddfan Care Limited	United Kingdom	Ordinary shares	100%	100%
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%

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
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%
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%
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%

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

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

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 a 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 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 Sturt House Clinic Limited is non trading.

The principal activity of Fanplate Limited is non trading.

The principal activity of Priory Securitisation Limited is non trading.

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

The principal activity of Priory Grange (Holdings) 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.

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 Jacques Hall Limited is non trading.

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

The principal activity of Farleigh Schools Limited is non trading.

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

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

The principal activity of Solutions (Llangarhon) 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 Holdings Company No 3 Limited is to act as a holding company.

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 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 Castle Homes Limited is children's care homes.

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 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.

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

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 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 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.

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

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 Strathmore Care Services 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.

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.

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Investments (continued)

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.

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 Adult Services Limited is care delivery.

7 Debtors

	2022 £ 000	2021 £ 000
Amounts owed by related parties	1,556,141	1,505,605
Total current trade and other debtors	1,556,141	1,505,605

Amounts owed by related parties are interest free, unsecured and repayable on demand.

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

8 Creditors

	2022 £ 000	2021 £ 000
Due within one year		
Amounts due to related parties	506,161	446,299
Income tax liability	21,453	8,849
	<u>527,614</u>	<u>455,148</u>
Due after one year		
Loans and borrowings	<u>15,638</u>	<u>15,638</u>

Amounts due to related parties includes £260,748,000 (2021: £260,748,000) of loan notes, PIK notes and accrued interest which incurred interest at 12% per annum to December 2021. Other amounts due to related parties are unsecured, non-interest bearing and repayable on demand.

9 Loans and borrowings

	2022 £ 000	2021 £ 000
Non-current loans and borrowings		
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.

10 Share capital

Allotted, called up and fully paid shares

	No. 000	2022 £ 000	No. 000	2021 £ 000
Ordinary shares of £1 each	<u>409,544</u>	<u>409,544</u>	<u>409,544</u>	<u>409,544</u>

Priory Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

11 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 Rehab and Mental Healthcare Group B.V., incorporated in the Netherlands.

The parent of the largest group in which these financial statements are consolidated is Median B.V., incorporated in the Netherlands

The address of Median B.V. is:
Basisweg 10, 1043 AP, Amsterdam, the Netherlands.

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.

The ultimate controlling party is considered to be Waterland Private Equity by virtue of the company's ultimate parent company being majority owned by funds under the ownership and control of Waterland Private Equity.