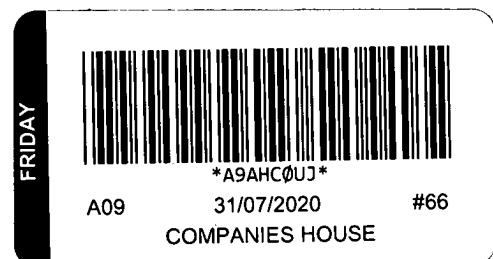


Company Registration No. 03325313 (England and Wales)

**UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS
LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | Ms E Schroder Mr R Sheehan Mr A Watson |
| Secretary | HCP Social Infrastructure (UK) Limited |
| Company number | 03325313 |
| Registered office | 8 White Oak Square London Road Swanley Kent BR8 7AG |
| Auditor | KPMG LLP 66 Queen Square Bristol BS1 4BE |

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

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UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their annual report and financial statements for the year ended 31 March 2020.

Principal activities

The company's principal activity is that of a holding company of a single subsidiary, United Healthcare (South Buckinghamshire) Limited.

United Healthcare (South Buckinghamshire) Limited is the PFI concessionaire for Wycombe and Amersham hospitals under the terms of a project agreement dated 16 December 1997 with the Buckinghamshire Healthcare NHS Trust. Its project agreement requires it to design, construct, finance, commission and maintain two new hospital wings at Wycombe and Amersham Hospitals, and to provide non-clinical services to the existing hospitals and to the new wings from their completion for a firm period of thirty years and a maximum potential period of sixty years.

Construction and commissioning of the new wings was completed in 2000, and the company's subsidiary has successfully been providing the full range of required services from that date.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ms E Schroder
Mr R Sheehan
Mr A Watson

Results and dividends

The results for the year are set out on page 7.

The company paid interim dividends of £1,170,000 (2019: £2,042,000) to the company's immediate parent undertaking, United Healthcare (South Buckinghamshire) Group Limited. The directors declared, but did not pay, interim dividends amounting to £2,418,000 (2019: £2,191,000) making a total dividend of £3,588,000 (2019: £4,233,000) for the year. Dividends declared but not yet settled in cash have been approved by the shareholders and therefore constitute a liability and have been accrued in the balance sheet.

Qualifying third party indemnity provisions

The directors have the benefit of a qualifying third party indemnity provision (as defined in section 234 of the Companies Act 2006) as Directors' and Officers' insurance is maintained on their behalf. This insurance was in force throughout the financial year and up to the date of approval of these accounts.

Financial instruments

The company's principal financial instruments comprise short term bank deposits, subordinated loan stock and intercompany debtors and creditors.

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020 (CONTINUED)

Financial reporting

The company has outsourced the financial reporting function to HCP Social Infrastructure (UK) Limited ("HCP"). Authorities remain vested in the Board members of the company. HCP reports regularly to the Board of the company. The Board receives monthly reports from HCP which specifically summarise and address the financial, contractual and commercial risks that the company is exposed to, and are pertinent to the industry in which the company operates. The Board also receives monthly management accounts with explanations of variances from annual budgets and forecasts, which are in turn compared to the Financial Model, which represents the long term business plan of the company and outlines its ability to comply with its debt obligations and covenants. Material deviations from the business plan are investigated and reported on. Supporting this process, HCP evaluates its performance under the framework of an Internal Audit and Assessment programme which sits within its own Corporate Governance framework. This process ensures that the project remains robust and viable throughout the life of the contract.

Auditor

The auditor, KPMG LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

COVID-19 risk

The Company is exposed to the COVID-19 risk as a result of the inherent uncertainty around the impact of the pandemic on UK society and economy. Whilst the Company itself is not considered to be significantly exposed, its subsidiary company, United Healthcare (South Buckinghamshire) Limited (the "SPV") engages with subcontractors which are considered to have exposure in relation to labour and the ability to continue to perform required services. The Company is aware of the Government guidance for public bodies on payment to suppliers to ensure service continuity during and after the coronavirus outbreak, which provides additional assurance. Nevertheless, performance risk under the SPV's Project Agreement and related contracts are passed on to the service providers. The obligations of these subcontractors are underwritten either by performance guarantees issued by banks or by parent company guarantees. Due to the evolving nature of the risk, the Board continue to actively monitor developments.

The COVID-19 pandemic continues to cause significant impact to the UK's economy; however, the SPV has continued to be paid in full since the year end in accordance with Government guidance and the concession contract and the Company does not expect this position to change. The project remains fully operational and is fully available for use by the client under the terms of the contract and as a result continues to be entitled to the receipt of the Unitary Payment.

Going concern

The Directors have prepared cash flow forecasts which indicate that, taking account of severe but plausible downsides, the Company will have sufficient funds to meet its liabilities as they fall due. Further information of the Directors' assessment including the consideration of the impact of COVID-19 is contained within note 1.2.

Taking into account reasonable possible risks in operations to the Company, the fact the obligations of the SPV company's sole customer are underwritten by the Secretary of State for Health, the Directors have a reasonable expectation that the Company will be able to settle its liabilities as they fall due to the foreseeable future. It is therefore appropriate to prepare these financial statements on the going concern basis.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020 (CONTINUED)

On behalf of the board



Mr R Sheehan
Director
27 July 2020

Registered office
8 White Oak Square
London Road
Swanley
Kent
BR8 7AG

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

The directors are responsible for preparing the Directors' 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 with applicable law and section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

Opinion

We have audited the financial statements of United Healthcare (South Buckinghamshire) Holdings Limited (the 'company') for the year ended 31 March 2020, which comprise the profit and loss account, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going Concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

Directors' report

The directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the the Directors' report;
- in our opinion the information given in the report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at:
<http://www.frc.org.ukauditorsresponsibilities>.

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Huw Brown (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

66 Queen Square

Bristol

BS1 4BE

29 July 2020

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

| | Notes | 2020 £000 | 2019 £000 |
|--|-------|--------------|--------------|
| Interest receivable and similar income | 6 | 4,414 | 5,056 |
| Interest payable and similar expenses | 7 | (823) | (823) |
| Profit before taxation | | 3,591 | 4,233 |
| Taxation | 8 | - | - |
| Profit for the financial year | | 3,591 | 4,233 |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The company has no other items of comprehensive income other than those included in the profit and loss accounts above.

The notes on pages 11 to 18 form an integral part of these financial statements.

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

| | Notes | 2020 £000 | 2019 £000 |
|--|-------|--------------|--------------|
| Investments in Subsidiary | 10 | - | - |
| Current assets | | | |
| Debtors falling due after one year | 12 | 6,000 | 6,000 |
| Debtors falling due within one year | 12 | 23,239 | 20,801 |
| Cash at bank and in hand | | 10 | 7 |
| | | 29,249 | 26,808 |
| Creditors: amounts falling due within one year | 13 | (23,243) | (20,805) |
| Net current assets | | 6,006 | 6,003 |
| Creditors: amounts falling due after more than one year | 14 | (5,880) | (5,880) |
| Net assets | | 126 | 123 |
| Capital and reserves | | | |
| Called up share capital | 16 | 1 | 1 |
| Share premium account | 17 | 119 | 119 |
| Profit and loss reserves | | 6 | 3 |
| Total equity | | 126 | 123 |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the provisions of FRS 102 Section 1A - Small entities.

The accompanying notes on pages 11 to 18 form an integral part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 27 July 2020 and are signed on its behalf by:

Richard Sheehan

Mr R Sheehan
Director

Company Registration No. 03325313

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

| | Notes | Share capital £000 | Share premium account £000 | Profit and loss reserves £000 | Total £000 |
|--|-------|-----------------------|-------------------------------|----------------------------------|---------------|
| Balance at 1 April 2018 | | 1 | 119 | 3 | 123 |
| Period ended 31 March 2019: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 4,233 | 4,233 |
| Dividends | 9 | - | - | (4,233) | (4,233) |
| Balance at 31 March 2019 | | 1 | 119 | 3 | 123 |
| Period ended 31 March 2020: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 3,591 | 3,591 |
| Dividends | 9 | - | - | (3,588) | (3,588) |
| Balance at 31 March 2020 | | 1 | 119 | 6 | 126 |

The accompanying notes on pages 11 to 18 form an integral part of these financial statements.

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

United Healthcare (South Buckinghamshire) Holdings Limited is a private company limited by shares and incorporated, registered and domiciled in England and Wales, in the UK. The registered office is 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 Section 1A for Smaller Entities "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102 Section 1A for Smaller entities") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

The company's ultimate parent undertaking, United Healthcare (South Buckinghamshire) Group Limited included the company in its consolidated financial statements. The consolidated financial statements of United Healthcare (South Buckinghamshire) Group Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from the registered office at 8 White Oak Square, Swanley, Kent, BR8 7AG.

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.2 Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts covering a period of 17 months from the date of approval of these financial statements, through to 31 December 2021, which indicate that, taking account of severe but plausible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period. Those forecasts are dependent on the subsidiary company's underlying customer continuing to meet its obligations under the Project Agreement which are underwritten by the Secretary of State for Health.

Those forecasts are also dependent on the Company's immediate parent company, United Healthcare (South Buckinghamshire) Group Limited, not seeking repayment of the amounts currently due to the company, which at 31 March 2020 amounted to £23,243,000. As at 31 March 2020 the Company has indicated its intention to United Healthcare (South Buckinghamshire) Limited that it will not call upon the £23,239,000 of debt owed by that company for at least twelve months. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

In making this assessment the Directors have considered the potential impact of the emergence and spread of COVID-19.

The subsidiary company's operating cash inflows are largely dependent on unitary charge receipts receivable from Buckinghamshire Healthcare NHS Trust and the Directors expect these amounts to be received even in severe but plausible downside scenarios.

The subsidiary company continues to provide the asset in accordance with the contract and is available to be used. As a result, the Company does not believe there is any likelihood of a material impact to the unitary payment.

The Directors have assessed the viability of its subsidiary's main sub-contractors and reviewed the contingency plans of the sub-contractors and are satisfied in their ability to provide the services in line with the contract without significant additional costs to the subsidiary company, even in downside scenarios, due to the underlying contractual terms. To date, there has been no adverse impact on the services provided by the subsidiary company or its sub-contractors arising from COVID-19. However, in the unlikely event of a subcontractor failure, the Company and subsidiary company have their own business continuity plans to ensure that service provision will continue.

The Directors believe the Company has sufficient funding in place and expect the Company to be in compliance with its debt covenants even in severe but plausible downside scenarios.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment where indicators imply it could be present and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's Balance Sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, subordinated loans, and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2 Judgements and key sources of estimation uncertainty

The directors feel that there are no significant judgements made, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

3 Auditor's remuneration

The auditor's remuneration has been borne by the subsidiary. The directors estimate the fee attributable to the company to be £2,000 (2019: £2,000).

4 Employees

The company had no employees during the year (2019: nil).

5 Directors' remuneration

| | 2020 £000 | 2019 £000 |
|--------------------------------|--------------|--------------|
| Remuneration paid to directors | - | - |

The Directors received no remuneration for services to the Company during the year (2019: £nil). During the year, United Healthcare (South Buckinghamshire) Limited, a subsidiary of the Company, incurred £83,000 (2019: £79,000) in respect of directors' services from Innisfree Limited. The Directors holding office during the year consider their services to the Company as incidental to their other duties within Innisfree Limited and accordingly no remuneration has been apportioned to the Company (2019: £nil).

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

6 Interest receivable and similar income

| | 2020 | 2019 |
|---|--------------|--------------|
| | £000 | £000 |
| Income from shares in group undertakings | 3,572 | 4,216 |
| Interest on loans owed from group undertaking | 842 | 840 |
| Total income | <u>4,414</u> | <u>5,056</u> |

7 Interest payable and similar expenses

| | 2020 | 2019 |
|--|------------|------------|
| | £000 | £000 |
| Interest on financial liabilities measured at amortised cost: | | |
| Interest on subordinated loans | 823 | 823 |
| | <u>823</u> | <u>823</u> |

8 Taxation

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

| | 2020 | 2019 |
|---|--------------|--------------|
| | £000 | £000 |
| Profit before taxation | <u>3,591</u> | <u>4,233</u> |
| Expected tax charge based on a corporation tax rate of 19.00% (2019 - 19.00%) | 682 | 804 |
| Tax effect of income not taxable in determining taxable profit | <u>(682)</u> | <u>(804)</u> |
| Tax expense for the year | <u>-</u> | <u>-</u> |

The total tax charge as stated above has been recorded in the profit and loss account.

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

9 Dividends

| | 2020 £000 | 2019 £000 |
|--|--------------|--------------|
| Amounts recognised as distributions to equity holders: | | |
| Interim paid | 1,170 | 2,042 |
| Interim unpaid | 2,418 | 2,191 |
| Total dividends | 3,588 | 4,233 |

10 Fixed asset investments

| | 2020 £000 | 2019 £000 |
|---------------------------|--------------|--------------|
| Investments in Subsidiary | - | - |

The company has not designated any financial assets that are not classified as financial assets at fair value through profit or loss.

11 Subsidiaries

Details of the company's subsidiaries at 31 March 2020 are as follows:

| Name of undertaking | Registered office | Nature of business | Class of shares held | % Held | |
|---|---|------------------------------|----------------------|--------|----------|
| | | | | Direct | Indirect |
| United Healthcare (South Buckinghamshire) Limited | 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG | Hospital Concession Operator | Ordinary | 100.00 | |

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

12 Debtors

| | 2020 £000 | 2019 £000 |
|--|---------------|---------------|
| Amounts falling due within one year: | | |
| Amounts due from group undertakings | 23,239 | 20,801 |
| Amounts falling due after more than one year: | | |
| Amounts due from group undertakings | 6,000 | 6,000 |
| Total debtors | 29,239 | 26,801 |

Amounts due from group undertakings disclosed above are measured at amortised cost.

Included within amounts due from group undertakings is declared but unpaid dividends receivable of £23,239,000 (2019: £20,801,000). These amounts are repayable on demand.

The amount due from group undertakings falling due after more than one year relates to a loan of secured loan notes 2030 to the subsidiary company. Interest receivable on the loan notes is a fixed rate of 14% per annum. Unless previously redeemed by the subsidiary company, loan notes are repayable on 31 October 2030.

13 Creditors: amounts falling due within one year

| | 2020 £000 | 2019 £000 |
|------------------------------------|--------------|--------------|
| Amounts owed to group undertakings | 23,243 | 20,805 |

The amounts owed to group undertakings relates to declared but unpaid dividends.

14 Creditors: amounts falling due after more than one year

| | 2020 £000 | 2019 £000 |
|---------------------------|--------------|--------------|
| Other loans (see note 15) | 5,880 | 5,880 |

UNITED HEALTHCARE (SOUTH BUCKINGHAMSHIRE) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

15 Loans and overdrafts

| | 2020 £000 | 2019 £000 |
|------------------------|--------------|--------------|
| Other loans | 5,880 | 5,880 |
| Payable after one year | 5,880 | 5,880 |

The loan balance above relates to a loan from the immediate parent company and is by way of secured loan notes 2030 which rank pari passu among themselves and at all times ahead of all unsecured obligations of the company, except for those obligations as may be preferred by law.

Interest payable on the loan notes is payable at a fixed rate of 14% per annum.

Unless previously redeemed by the company, loan notes are repayable on 31 October 2030.

16 Share capital

| | 2020 £000 | 2019 £000 |
|------------------------------------|--------------|--------------|
| Ordinary share capital | | |
| Issued and fully paid | | |
| 120,000 Ordinary shares of 1p each | 1 | 1 |

17 Share premium account

| | 2020 £000 | 2019 £000 |
|------------------------------|--------------|--------------|
| At beginning and end of year | 119 | 119 |

18 Ultimate parent undertaking

The company's immediate parent undertaking is United Healthcare (South Buckinghamshire) Group Limited, a company registered in England and Wales. Copies of the parent company's financial statements are available from its registered office at 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG.

The entire share capital of United Healthcare (South Buckinghamshire) Group Limited is held by Innisfree Nominees Limited, registered office 1st floor, Boundary House, 91-93 Charterhouse Street, London, EC1M 6HR, acting in its capacity as custodian of the partnership assets of the Innisfree M&G PPP LP, registered office 1st floor, Boundary House, 91-93 Charterhouse Street, London, EC1M 6HR.

In the opinion of the directors the company's ultimate parent undertaking and controlling party is the Innisfree M&G PPP LP, a limited partnership registered in England and Wales.

As the company is a wholly owned subsidiary of the group headed by United Healthcare (South Buckinghamshire) Group Limited, the company has taken advantage of the exemption contained within FRS 102.33 from disclosing transactions with wholly owned subsidiaries which form part of that group.