

52 ALDERLEY ROAD LLP

Report and Accounts

For the year ended 31 December 2014

WEDNESDAY



L4H18JQ0

LD4

30/09/2015

#348

COMPANIES HOUSE

52 Alderley Road LLP

Registered No. OC385142

DESIGNATED MEMBERS

HCA International Limited

Mo Saeed Limited

AUDITORS

Ernst & Young LLP

Apex Plaza

Forbury Road

Reading

RG1 1YE

BANKERS

Barclays Bank PLC

St John's Wood & Swiss Cottage Branch

P.O. Box 2764

London

NW3 6JD

REGISTERED OFFICE

242 Marylebone Road

London

NW1 6JL

52 Alderley Road LLP

Registered No. OC385142

THE MEMBERS' REPORT

The members present their report and accounts for the year ended 31 December 2014.

PRINCIPAL ACTIVITY

The partnership was incorporated on 15 May 2013.

The principal activity of 52 Alderley Road LLP is to provide outpatient diagnostic treatment services in the Greater Manchester area.

The partnership began trading on 29 May 2014.

The 2013 results represent a 7 month period from 15 May 2013 to 31 December 2013.

POLICY WITH RESPECT TO MEMBERS' DRAWINGS AND SUBSCRIPTIONS AND REPAYMENT OF MEMBERS' CAPITAL

Members are permitted to make drawings once the profit is determined. Drawings cannot exceed a member's profit share. The profit share is determined by the amount of the capital contribution made by the members pro rata over the net profit for the financial period.

New members are required to subscribe a minimum level of capital. Members may increase the amount of their capital contribution if members so agree by members' consent. On retirement, the balance on a member's Capital Account is repaid.

In the event of winding up, other reserves along with members' capital rank after unsecured creditors.

FUTURE DEVELOPMENTS

There are no plans to change the activities of the LLP.

EVENTS AFTER THE BALANCE SHEET DATE

No significant events affecting the LLP have occurred since the balance sheet date.

GOING CONCERN

After making suitable enquiries and obtaining assurance from a significant member that it will continue to provide financial support to the partnership, whereby this significant member is the beneficiary of the loan held by the LLP, the partnership's members have a reasonable expectation that the partnership will be able to continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DESIGNATED MEMBERS

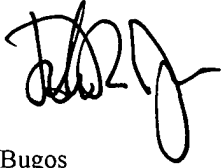
HCA International Limited
Mo Saeed Limited

THE MEMBERS' REPORT (CONTINUED)

AUDITORS

Ernst & Young LLP will continue as auditor of the LLP.

Approved by the members on ³⁰ September 2015 and signed on their behalf by:



J R Bugos
For and on behalf of HCA International Limited



Mo Saeed Limited

MEMBERS' RESPONSIBILITIES STATEMENT

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 requires the members to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that year.

The members have elected to prepare financial statements for the LLP in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing those financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

Under the Limited Liability Partnerships Regulations 2008, the members are responsible for keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Limited Liability Partnership Regulations. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 52 ALDERLEY ROAD LIMITED LIABILITY PARTNERSHIP ('LLP')

We have audited the financial statements of 52 Alderley Road LLP for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement, the Reconciliation of Members' Interests and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the Members' Responsibilities Statement set out on page 4, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the limited liability partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Limited Liability Partnership's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Members' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 52 ALDERLEY ROAD
LIMITED LIABILITY PARTNERSHIP ('LLP') (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability partnerships requires us 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
- we have not received all the information and explanations we require for our audit.

Ernst & Young LLP

Ian Oliver (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Reading

30 September 2015

52 Alderley Road LLP

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2014

		<i>Year ended 31 December 2014</i>	<i>7 month period ended 31 December 2013</i>
	<i>Notes</i>	<i>£000</i>	<i>£000</i>
TURNOVER	2	1,045	-
Administrative expenses		<u>(3,734)</u>	<u>(302)</u>
OPERATING LOSS	3	(2,689)	(302)
Interest payable	6	(62)	-
LOSS FOR THE FINANCIAL PERIOD BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		<u>(2,751)</u>	<u>(302)</u>
Members' remuneration charged as an expense		-	-
LOSS FOR THE FINANCIAL PERIOD AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		<u><u>(2,751)</u></u>	<u><u>(302)</u></u>

All activities relate to continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

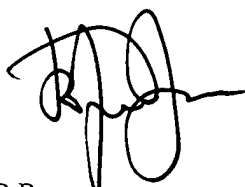
There are no recognised gains or losses other than the loss of £2,751,000 for the year ended 31 December 2014 (7 month period ended 31 December 2013 loss of £302,000).

52 Alderley Road LLP

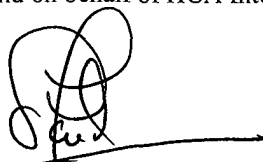
BALANCE SHEET
at 31 December 2014

	<i>Notes</i>	<i>2014</i> £000	<i>2013</i> £000
FIXED ASSETS			
Tangible assets	7	9,863	3,192
		<u>9,863</u>	<u>3,192</u>
CURRENT ASSETS			
Stocks	8	183	-
Debtors	9	770	29
Cash at bank and in hand		362	280
		<u>1,315</u>	<u>309</u>
CREDITORS: amounts falling due within one year	10	<u>(4,645)</u>	<u>(3,803)</u>
NET CURRENT LIABILITIES		(3,330)	(3,494)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,533</u>	<u>(302)</u>
CREDITORS: amounts falling due after one year	11	(2,859)	-
NET ASSETS / (LIABILITIES)		<u><u>3,674</u></u>	<u><u>(302)</u></u>
MEMBERS' OTHER INTERESTS			
Member's capital		6,727	-
Other reserves		(3,053)	(302)
MEMBERS' INTERESTS		<u><u>3,674</u></u>	<u><u>(302)</u></u>

These financial statements were approved by the members on 30 September 2015 and are signed on their behalf by:



J R Bugos
For and on behalf of HCA International Limited



Mo Saeed Limited

52 Alderley Road LLP

CASH FLOW STATEMENT

for the year ended 31 December 2014

	<i>Notes</i>	<i>2014</i> £000	<i>2013</i> £000
NET CASH FROM OPERATING ACTIVITIES	13	-	-
FINANCING			
Deposits received		1,615	280
Deposits paid to HCA International Limited following part transfer of interest ownership to individual members		(1,533)	-
INCREASE IN CASH		<u>82</u>	<u>280</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH			
Increase in cash		82	280
Net increase in amounts due to members		(3,684)	(2,952)
MOVEMENT IN NET DEFICIT		<u>(3,602)</u>	<u>(2,672)</u>
NET (DEBT) / FUNDS AT 1 JANUARY / 15 MAY		<u>(2,672)</u>	-
NET DEBT AT 31 DECEMBER	13	<u>(6,274)</u>	<u>(2,672)</u>

52 Alderley Road LLP

RECONCILIATION OF MEMBERS' INTERESTS

for the year ended 31 December 2014

	<i>Members' capital</i> £000	<i>Other reserves</i> £000	<i>Members' interests total</i> £000	<i>Loans and other debts due to members less any amounts due from members in debtors</i> £000	<i>Total</i> £000
Amounts due to member				2,952	
Members' interests at 1 January 2014	-	(302)	(302)	2,952	2,650
Movement in loans and other debts due to member	-	-	-	10,411	10,411
Reallocation of amounts due to Member to Members' Capital	6,727	-	6,727	(6,727)	-
Loss for the financial period available for division among members	-	(2,751)	(2,751)	-	(2,751)
Members' interests after profit for the year	6,727	(3,053)	3,674	6,636	10,310
Drawings	-	-	-	-	-
Amounts due to member				6,636	
Members' interests at 31 December 2014	6,727	(3,053)	3,674	6,636	10,310

1. ACCOUNTING POLICIES

The principal accounting policies adopted by the partnership are set out below have been applied consistent within the period.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards including the Statement of Recommended Practice, Accounting by Limited Liability Partnerships, (the SORP) and under the historical cost convention.

Going concern

The accounts have been prepared under the going concern basis, as a significant member has agreed to continue to provide financial support to the partnership for the foreseeable future. The significant member is the beneficiary of the loan held by the LLP.

Turnover

Turnover consists primarily of net healthcare service revenues that are recorded based upon established billing rates less allowances for contractual adjustments. Estimates of contractual allowances under managed healthcare plans are based upon terms specified in the related contractual agreements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost.

Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful economic lives of the fixed assets concerned. Depreciation commences when the assets are available for use, generally on completion of construction and commencement of principal activities. The principal annual rates used for this purpose are:

Building refurbishment	–	10%
Equipment, furniture and fittings	–	between 10% and 25%

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks, which consist mainly of drugs and consumable stores, are stated at the lower of invoiced cost and net realisable value. Net realisable value is the price at which stocks can be sold in the normal course of business. Provision is made where necessary for obsolete, slow moving and defective stocks.

Taxation

The taxation payable on the partnership profits is the personal liability of the members and consequently neither taxation nor related deferred taxation are accounted for in the financial statements.

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

Pension costs

Contributions to the defined contribution scheme are charged to the profit and loss account as they become payable. The partnership provides no other post retirement benefits to its employees.

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 December 2014

2. TURNOVER

The turnover primarily consists of the provision of outpatient diagnostic treatment services within the United Kingdom. Turnover is also derived from the provision of consulting rooms.

3. OPERATING LOSS

Operating loss is stated after charging the following:

	<i>Year ended 31 December 2014 £000</i>	<i>7 month period ended 31 December 2013 £000</i>
Operating leases - land and buildings	183	45
Hire of plant and machinery	31	-
Depreciation	711	-
	<u>711</u>	<u>-</u>

The auditors of the partnership are also the auditors of HCA International Limited and are remunerated in respect of their services to the partnership by HCA International Limited. The audit fee for the partnership was £9,000 (7 month period ended 31 December 2013: £6,000).

4. STAFF COSTS

The average number of persons employed by the partnership during the year was 48 (7 month period ended 31 December 2013: nil). Two people joined in December 2013 which reflects the costs for the 2013 period.

Employment costs of all employees comprised:

	<i>Year ended 31 December 2014 £000</i>	<i>7 month period ended 31 December 2013 £000</i>
Wages and salaries	1,159	17
Social security costs	115	2
Other pension costs	17	1
	<u>1,291</u>	<u>20</u>

52 Alderley Road LLP

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 December 2014

5. INFORMATION IN RELATION TO MEMBERS

	<i>Year ended 31 December 2014 £000</i>	<i>7 month period ended 31 December 2013 £000</i>
Average number of members during the period	32	2
Losses (including remuneration) attributable to the member with the largest entitlement to losses	(1,970)	(302)

Losses attributable to the member with the largest entitlement was calculated based upon the ownership of the LLP at the balance sheet date.

6. INTEREST PAYABLE

	<i>2014 £000</i>	<i>2013 £000</i>
Interest payable on intercompany loan	62	-
	<u>62</u>	<u>-</u>

7. TANGIBLE FIXED ASSETS

	<i>Leasehold improvements £000</i>	<i>Equipment, furniture & fittings £000</i>	<i>Construction in progress £000</i>	<i>Total £000</i>
Cost:				
At 1 January 2014	-	-	3,192	3,192
Additions	-	4	7,059	7,063
Reclassifications	5,067	4,755	(9,822)	-
Intercompany transfers	-	319	-	319
At 31 December 2014	<u>5,067</u>	<u>5,078</u>	<u>429</u>	<u>10,574</u>
Depreciation:				
At 1 January 2014	-	-	-	-
Charge for the year	293	418	-	711
At 31 December 2014	<u>293</u>	<u>418</u>	<u>-</u>	<u>711</u>
Net book value:				
At 31 December 2014	<u>4,774</u>	<u>4,660</u>	<u>429</u>	<u>9,863</u>
At 31 December 2013	<u>-</u>	<u>-</u>	<u>3,192</u>	<u>3,192</u>

52 Alderley Road LLP

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 December 2014

8. STOCK

	<i>2014</i>	<i>2013</i>
	<i>£000</i>	<i>£000</i>
Drugs and consumables	183	-
	<u>183</u>	<u>-</u>

9. DEBTORS

	<i>2014</i>	<i>2013</i>
	<i>£000</i>	<i>£000</i>
Trade debtors	395	-
Other debtors	4	-
Prepayments and accrued income	371	29
	<u>770</u>	<u>29</u>

10. CREDITORS: amounts falling due within one year

	<i>2014</i>	<i>2013</i>
	<i>£000</i>	<i>£000</i>
Trade creditors	4	1
Loan owed to member	504	-
Loan interest owed to member	62	-
Amounts owed to member - trading	3,211	2,952
Other creditors	14	280
Accruals and deferred income	850	570
	<u>4,645</u>	<u>3,803</u>

Trading amounts owed to member are payable on demand. However the member has indicated that they will not seek repayment while financial support is being provided to the partnership, for at least 12 months from the date of approval of the financial statements.

Terms of the loan are disclosed within note 11.

NOTES TO THE ACCOUNTS (CONTINUED)
at 31 December 2014
11. **CREDITORS:** amounts falling due after one year

	2014 £000	2013 £000
Loan owed to member	2,859	-
	<u>2,859</u>	<u>-</u>

On 27 May 2014 an intercompany trading balance of £10,090,000 due to HCA International Limited, the majority investor on that date, was converted to a 10 year loan of £3,363,000 and Members' Capital of £6,727,000.

The loan carries an interest rate of LIBOR+2.5% with step repayments of the principal of £84,087 per quarter. The first repayment is due from 30 September 2014.

Interest on late payments is charged at LIBOR+10.0%.

The loan is secured against all assets carried by the LLP.

The current element of the loan is disclosed within note 10.

Borrowings are repayable as follows:

	2014 £000	2013 £000
Intercompany loans		
Within one year	336	-
Between two and five years	1,345	-
After five years	1,514	-
	<u>3,195</u>	<u>-</u>
Repayable on demand	168	-
	<u>3,363</u>	<u>-</u>

12. **LOANS AND OTHER DEBTS DUE TO MEMBERS**

In the event of the winding up of the LLP then any surplus of assets of the LLP over its liabilities remaining at the conclusion of the winding-up after payment of all monies due to the creditors of the LLP and all expenses of the winding-up shall be payable by the liquidator to the Members in such proportions as their respective interests bear to each other before the commencement of the winding-up.

NOTES TO THE ACCOUNTS (CONTINUED)
at 31 December 2014

13. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of operating loss to net cash flow from operating activities

	<i>Year ended 31 December 2014 £000</i>	<i>7 month period ended 31 December 2013 £000</i>
Operating loss	(2,689)	(302)
Add back depreciation	711	-
Increase in stocks	(183)	-
Increase in debtors	(741)	(29)
(Decrease) / increase in creditors	(83)	571
Operating activities funded by Member	2,985	(240)
Net cash flow from operating activities	<u>-</u>	<u>-</u>

(b) Analysis of net cash

	<i>At 1 January 2014 £000</i>	<i>Cash flow £000</i>	<i>Other non-cash changes £000</i>	<i>At 31 December 2014 £000</i>
Cash at bank and in hand	280	82	-	362
Amounts due to members within 1 year	(2,952)	-	(321)	(3,273)
Loan amounts due to members within 1 year	-	-	(504)	(504)
Loan amounts due to members after 1 year	-	-	(2,859)	(2,859)
	<u>(2,672)</u>	<u>82</u>	<u>(3,684)</u>	<u>(6,274)</u>

14. PENSION COMMITMENTS

The partnership participates in a group defined contribution scheme in the UK, the HCA International Limited Staff Retirement Benefits Scheme. The pension cost for the period was £17,000 (7 month period ended 31 December 2013: £1,000). There were no outstanding contributions at 31 December 2014 (31 December 2013: nil).

52 Alderley Road LLP

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 December 2014

15. RELATED PARTY TRANSACTIONS

During the period, the partnership entered into transactions, in the ordinary course of business, as follows:

<i>Related party</i>	<i>Transaction during the year</i>	<i>2014</i> £000	<i>2013</i> £000
HCA International Limited	Management fee	(36)	-
HCA International Limited	Interest payable on loan	(62)	-
HCA International Limited	Conversion of trading balance to loan	(3,363)	-
HCA International Limited	Conversion of trading balance to Members Capital	(6,727)	-
HCA International Limited	Receipt of transfer of fixed assets	319	-
		<u> </u>	<u> </u>
<i>Related party</i>	<i>Closing balance at year end</i>	<i>£000</i>	<i>£000</i>
HCA International Limited	Amounts due to member - trading	(3,192)	(2,952)
HCA International Limited	Interest due to member	(62)	-
HCA International Limited	Loan amounts due within one year to member	(504)	-
HCA International Limited	Loan amounts due after one year to member	(2,859)	-
		<u> </u>	<u> </u>

During 2014 HCA International Limited, the majority investor in the LLP, sold a proportion of its investment in the LLP to individual investors. HCA International Limited reduced its ownership from 99.9% to 71.6%.

HCA International Limited

HCA International Limited owns 71.6% (2013: 99.9%) of the membership interest of the partnership. Under the terms of a management agreement, HCA International Limited is paid an annual fee equal to 3.5% of turnover, for its involvement in the day to day management of the partnership. HCA International Limited operates the payroll, accounts payable and billing functions on behalf of the partnership, and is fully reimbursed for these expenses.

16. OBLIGATIONS UNDER LEASES

Annual commitments under non-cancellable operating leases are as follows:

	<i>Land & Buildings</i> <i>2014</i> £000	<i>Land & Buildings</i> <i>2013</i> £000
Operating leases which expire:		
In over five years	264	66
	<u>264</u>	<u>66</u>

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 December 2014

17. COMMITMENTS

Capital expenditure:

	<i>2014</i>	<i>2013</i>
	<i>£000</i>	<i>£000</i>
Expenditure contracted for but not provided for	<u>344</u>	<u>-</u>

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent company is HCA International Limited, a company incorporated in the United Kingdom.

The partnership's ultimate parent undertaking and controlling party is HCA Holdings Inc., which is incorporated in the United States of America. HCA Holdings Inc. is the smallest and largest group of which the partnership is a member and for which group financial statements are prepared. Copies of the parent's consolidated accounts may be obtained from HCA, Investor Relations, One Park Plaza, I-4W, Nashville, TN 37203, USA.