

Registered No. 03135050

HCA UK INVESTMENTS LIMITED

Report and Accounts

31 December 2014



HCA UK Investments Limited

Registered No. 03135050

DIRECTORS

J R Bugos

J Loyal

M T Neeb

SECRETARY

J Loyal

AUDITORS

Ernst & Young LLP

Apex Plaza

Forbury Road

Reading

RG1 1YE

BANKERS

Barclays Bank PLC

St John's Wood & Swiss Cottage Branch

PO Box 2764

London

NW3 6JD

Bank of America

5 Canada Square

London

E14 5AQ

REGISTERED OFFICE

242 Marylebone Road

London

NW1 6JL

HCA UK Investments Limited

Registered No. 03135050

STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2014.

REVIEW OF THE BUSINESS

The principal activity of the company is to lease certain properties to other group companies.

	2014 £000	2013 £000	Change %
Turnover	22	21	+4.8%
Profit before tax	26	27	-3.7%

The company has continued to lease properties to other group companies with no major change to the nature of the business during the year.

The company has also continued to receive interest on its intercompany balances, resulting in a healthy profit before tax figure of £26,000 (2013: £27,000).

As the company has no external revenues to the HCA UK group, there are no other key performance indicators for the company.

The company has ended the year in a strong financial position with net assets of £3,531,000 (2013: £3,524,000).

The company will continue to lease properties to other group companies.

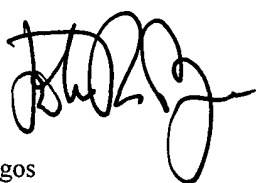
PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks arising from the company's business is the reliance on turnover generated from operating leases with a defined end date and fluctuating property prices.

As the leases end the company will have no guaranteed revenue income but will also have no associated costs. This risk is mitigated by the strong net asset position of the company where there are sufficient resources to allow the company to operate in the foreseeable future.

The property represents the largest asset held by the company. If property prices were to permanently decline it would present a potential risk of impairment. Management assess the property market on a regular basis to ensure that if a risk is identified, necessary measures are taken to reduce potential losses.

On behalf of the board



J R Bugos
Director

24 July 2015

HCA UK Investments Limited

Registered No. 03135050

DIRECTORS' REPORT

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

REVIEW OF THE BUSINESS

A review of the business has been provided within the Strategic Report.

DIVIDENDS

The directors do not propose any dividend for the year (2013: £nil).

DIRECTORS

The directors of the company who served during the year ended 31 December 2014 were as follows:

J R Bugos
J Loyal
M T Neeb

FUTURE DEVELOPMENTS

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

EVENTS AFTER THE BALANCE SHEET DATE

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

GOING CONCERN

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company 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.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were members of the board at the time of approving the Directors' Report are listed on page 1.

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

HCA UK Investments Limited

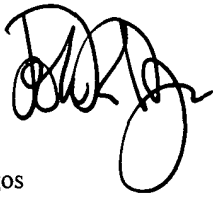
Registered No. 03135050

DIRECTORS' REPORT (CONTINUED)

AUDITORS

In accordance with Section 487 of the Companies Act 2006, Ernst & Young LLP will continue as auditor of the company.

On behalf of the board



J R Bugos
Director

24 July 2015

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible 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). The financial statements are required by law to 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 those 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;
- 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 a 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 to 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HCA UK INVESTMENTS LIMITED

We have audited the financial statements of HCA UK Investments Limited 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 and the related notes 1 to 14. 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors Report and Strategic Report 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 on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' 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 HCA UK INVESTMENTS LIMITED (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 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
- 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.

Ernst & Young LLP

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

24 July 2015

HCA UK Investments Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2014

	<i>Notes</i>	<i>2014</i> <i>£000</i>	<i>2013</i> <i>£000</i>
TURNOVER	2	22	21
Administrative expenses		(62)	(63)
OPERATING LOSS	3	<u>(40)</u>	<u>(42)</u>
Interest receivable and similar income	5	106	108
Interest payable and other financial expenditure	6	(40)	(39)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>26</u>	<u>27</u>
Tax on profit on ordinary activities	7	(19)	(21)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	12	<u><u>7</u></u>	<u><u>6</u></u>

All activities relate to continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

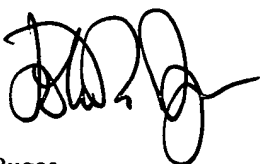
The company has no recognised gains or losses other than the profit of £7,000 for the year ended 31 December 2014 (2013: profit of £6,000) included above.

HCA UK Investments Limited

BALANCE SHEET at 31 December 2014

	<i>Notes</i>	<i>2014</i> <i>£000</i>	<i>2013</i> <i>£000</i>
FIXED ASSETS			
Tangible fixed assets	8	<u>1,559</u>	<u>1,620</u>
		<u>1,559</u>	<u>1,620</u>
CURRENT ASSETS			
Debtors	9	6,418	6,360
Cash at bank and in hand		<u>2</u>	<u>2</u>
		6,420	6,362
CREDITORS: amounts falling due within one year	10	<u>(4,448)</u>	<u>(4,458)</u>
NET CURRENT ASSETS		1,972	1,904
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,531</u>	<u>3,524</u>
CAPITAL AND RESERVES			
Called up share capital	11,12	-	-
Share premium	12	4,200	4,200
Profit and loss account	12	(669)	(676)
EQUITY SHAREHOLDERS' FUNDS	12	<u>3,531</u>	<u>3,524</u>

These accounts were approved by the board of directors on 24 July 2015 and signed on its behalf by:



J R Bugos
Director

NOTES TO THE ACCOUNTS
at 31 December 2014

1. ACCOUNTING POLICIES

The principal accounting policies adopted by the company are set out below and are consistent with the previous year.

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Going concern

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company 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.

Tangible fixed assets

Tangible fixed assets are stated at cost less provision for impairment.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

Freehold buildings – over 40 years

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.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying time difference can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Cash flow statement

The company has taken advantage of the exemption in FRS 1 (Revised) from the requirement to produce a cash flow statement on the grounds that it is a wholly owned subsidiary of HCA Holdings Inc. whose accounts include a consolidated cash flow statement and which are publicly available.

HCA UK Investments Limited

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 December 2014

2. TURNOVER

Turnover, which is stated net of value added tax, represents the amount derived from the provision of services which fall within the company's principal activity within the United Kingdom. Turnover is recognised on the provision of services.

3. OPERATING LOSS

This is stated after charging the following:

	<i>2014</i>	<i>2013</i>
	<i>£000</i>	<i>£000</i>
Depreciation of tangible fixed assets	<u>61</u>	<u>62</u>

The auditors of the company are also the auditors of HCA International Limited and are remunerated in respect of their services to the company by HCA International Limited. The audit fee for the company was £2,000 (2013: £1,000). There were no non-audit services provided during the year (2013: £nil).

4. DIRECTORS' REMUNERATION

The directors of the company are also directors of the holding company and fellow subsidiaries. The directors received total remuneration for the year of £1705,000 (2013: £2,563,000), all of which was paid by the holding company. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the holding and fellow subsidiary companies.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	<i>2014</i>	<i>2013</i>
	<i>£000</i>	<i>£000</i>
Interest receivable on intercompany trading balance	<u>106</u>	<u>108</u>

6. INTEREST PAYABLE AND OTHER FINANCIAL EXPENDITURE

	<i>2014</i>	<i>2013</i>
	<i>£000</i>	<i>£000</i>
Interest payable on intercompany loans	<u>40</u>	<u>39</u>

HCA UK Investments Limited

NOTES TO THE ACCOUNTS (CONTINUED) at 31 December 2014

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of tax charge in the year:

	2014 £000	2013 £000
UK current tax:		
UK corporation tax	18	21
Total current tax	<u>18</u>	<u>21</u>
UK deferred tax:		
Origination and reversal of timing differences	1	-
Total deferred tax	<u>1</u>	<u>-</u>
Tax charge on profit on ordinary activities	<u>19</u>	<u>21</u>

(b) Factors affecting current tax charge:

The tax assessed on the profit on ordinary activities for the year differs from the standard rate of corporation tax in the UK. The differences are reconciled below:

	2014 £000	2013 £000
Profit on ordinary activities before tax	26	27
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK, 21.49% (2013: 23.25%)	6	6
Effect of:		
Non-deductible expenses and other permanent differences	13	15
Utilisation of tax losses and other reliefs	(1)	-
Total current tax for the year	<u>18</u>	<u>21</u>

(c) Factors that may affect future tax charges:

The main rate of corporation tax reduced from 23% to 21% effective from 1 April 2014. Further reductions were substantively enacted last year reducing the rate to 20% effective from 1 April 2015. The provision for deferred tax arising on differences between tax and accounting treatment as at 31 December 2014 was calculated at 20%; the rate at which these differences are expected to reverse in future periods. No further reductions to the rate of UK corporation tax are currently anticipated.

HCA UK Investments Limited

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 December 2014

7. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

(d) Deferred taxation:

	2014 £000	2013 £000
Asset at the beginning of the year	1	1
Profit and loss account charge for year	(1)	-
Asset at the end of the year	<u>-</u>	<u>1</u>

The deferred tax asset recognised in the prior year related to capital allowances and has been utilised against current year taxable gains.

8. TANGIBLE FIXED ASSETS

	<i>Freehold buildings</i> £000	<i>Total</i> £000
Cost		
At 1 January 2014	2,726	2,726
At 31 December 2014	<u>2,726</u>	<u>2,726</u>
Depreciation		
At 1 January 2014	1,106	1,106
Charge for the year	61	61
At 31 December 2014	<u>1,167</u>	<u>1,167</u>
Net book value		
At 31 December 2014	<u>1,559</u>	<u>1,559</u>
At 31 December 2013	<u>1,620</u>	<u>1,620</u>

9. DEBTORS

	2014 £000	2013 £000
Amounts due from other group undertakings	6,418	6,359
Deferred tax asset (note 7 (d))	-	1
	<u>6,418</u>	<u>6,360</u>

Intercompany balances receivable are held on an arm's length basis. The balances are repayable on demand of the company so have been presented within amounts falling due within one year.

HCA UK Investments Limited

NOTES TO THE ACCOUNTS (CONTINUED)

at 31 December 2014

10. CREDITORS: amounts falling due within one year

	2014 £000	2013 £000
Loan amounts owed to other group undertakings	1,704	1,704
Amounts owed to other group undertakings	2,705	2,705
Corporation tax payable	39	49
	<u>4,448</u>	<u>4,458</u>

Intercompany loans payable and intercompany trading balances are held on an arm's length basis. The effective interest rate across the loans for the year was 2.3% (2013: 2.3%). Although amounts due to parent and other group companies are due within one year, the parent and other group companies have indicated that they would not enforce repayment.

11. SHARE CAPITAL

	2014 No.	2013 No.	2014 £	2013 £
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

12. RECONCILIATION OF EQUITY SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share capital</i> £000	<i>Share premium</i> £000	<i>Profit and loss</i> £000	<i>Total</i> £000
At 1 January 2013	-	4,200	(682)	3,518
Profit for the year	-	-	6	6
At 1 January 2014	<u>-</u>	<u>4,200</u>	<u>(676)</u>	<u>3,524</u>
Profit for the year	-	-	7	7
At 31 December 2014	<u>-</u>	<u>4,200</u>	<u>(669)</u>	<u>3,531</u>

13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 8 not to disclose transactions entered into between two or more members of the group, given that the subsidiary undertaking which is a party to the transaction is wholly owned by a member of the group.

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent company is HCA International Holdings Limited, a company incorporated in the UK.

The company'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 company 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.