1120459

THE LONDON STONE CENTRE LIMITED

Report and Accounts

31 December 2007

Registered No 1120459

DIRECTORS
J Franck
J Loyal
M Neeb
J M Petkas (appointed 16 March 2007)

SECRETARY
J Loyal

AUDITORS
Ernst & Young LLP
1 More London Place
London SE1 2AF

BANKERS
Barclays Bank PLC
St John's Wood and Swiss Cottage Branch
P O Box 2764
London NW3 6JD

REGISTERED OFFICE
242 Marylebone Road
London NW1 6JL

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 2007

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS
The company owns properties used by group companies in the provision of healthcare

RESULTS AND DIVIDENDS
The loss after taxation for the year was £70,000 (2006 (restated) loss of £78,000) The directors do not propose the payment of a dividend for the year (2006 £nil)

DIRECTORS
The directors of the company who served during the year ended 31 December 2007 were as follows

J Franck
J Loyal
M Neeb
J M Petkas (appointed 16 March 2007)

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

AUDITORS
The company has passed an elective resolution dispensing with the need to reappoint auditors annually

On behalf of the board

J M Petkas
Director

19 September 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The dιrectors are responsιble for preparιng the Annual Report and the financιal statements ιn accordance wιth applιcable law and regulatιons

Company law requιres the dιrectors to prepare financιal statements for each financιal year Under that law the dιrectors have elected to prepare the financιal statements ιn accordance wιth Unιted Kιngdom Generally Accepted Accountιng Practιce (Unιted Kιngdom Accountιng Standards and applιcable law) The financιal statements are requιred by law to gιve a true and faιr vιew of the state of affaιrs of the company and of the profit or loss of the company for that perιod In preparιng those financιal statements, the dιrectors are requιred to

- select suιtable accountιng polιcιes and then apply them consιstently,
- make ȷudgements and estιmates that are reasonable and prudent,
- state whether applιcable Unιted Kιngdom Accountιng Standards have been followed, subȷect to any materιal departures dιsclosed and explaιned ιn the financιal statements, and
- prepare the financιal statements on the goιng concern basιs unless ιt ιs ιnapproprιate to presume that the company wιll contιnue ιn busιness

The dιrectors are responsιble for keepιng proper accountιng records whιch dιsclose wιth reasonable accuracy at any tιme the financιal posιtιon of the company and to enable them to ensure that the financιal statements comply wιth the Companιes Act 1985 They are also responsιble for safeguardιng the assets of the company and hence for takιng reasonable steps for the preventιon and detectιon of fraud and other ιrregularιtιes

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LONDON STONE CENTRE LIMITED

We have audited the company's financial statements for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 12 These financial statements have been prepared under the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985 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 auditors' 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 We also report to you whether, in our opinion, the Directors' Report is consistent with the financial statements

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LONDON STONE CENTRE LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
London

19 September 2008

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2007

	Notes	*2007* *£000*	*Restated* *2006* *£000*
Operating charges		(103)	(104)
OPERATING LOSS	2	(103)	(104)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(103)	(104)
Tax credit on loss on ordinary activities	4	33	26
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	10	(70)	(78)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss of £70,000 for the year ended 31 December 2007 (2006 (restated) loss of £78,000) included above

BALANCE SHEET
at 31 December 2007

	Notes	2007 £000	Restated 2006 £000
TANGIBLE FIXED ASSETS	5	257	360
CURRENT ASSETS			
Debtors	6	1,015	1,015
		1,015	1,015
Creditors amounts falling due within one year	7	(1,081)	(1,081)
NET CURRENT LIABILITIES		(66)	(66)
TOTAL ASSETS LESS CURRENT LIABILITIES		191	294
PROVISION FOR LIABILITIES AND CHARGES	8	(64)	(97)
NET ASSETS		127	197
CAPITAL AND RESERVES			
Called up share capital	9	900	900
Profit and loss account	10	(773)	(703)
EQUITY SHAREHOLDERS' FUNDS	10	127	197

These accounts were approved by the board of directors on 19 September 2008 and signed on its behalf by

J M Petkas
Director

1. ACCOUNTING POLICIES

Basis of preparation
The accounts have been prepared ın accordance wıth Unıted Kıngdom Generally Accepted Accountıng Practıce (Unıted Kıngdom Accountıng Standards and applıcable law)

Accountıng conventıon
The accounts are prepared under the hıstorıcal cost conventıon

Prıor year adjustment
The comparatıves have been restated to reclassıfy certaın fixed assets to leasehold property ımprovements and to adjust the depreciatıon accordıngly

Thıs restatement has reduced the net assets of the company as at 31 December 2006 by £357,000 and ıncreased the loss after taxatıon for the year ended 31 December 2006 by £58,000

Tangıble fixed assets
Tangıble fixed assets are stated at cost

Depreciatıon ıs provıded on all tangıble fixed assets so as to wrıte off the cost of tangıble fixed assets evenly over the expected useful lıves of the fixed assets concerned The prıncıpal annual rate used for thıs purpose ıs

Leasehold property ımprovements - over the expected useful lıves of the assets, ıe 10 years

The carryıng values of tangıble fixed assets are revıewed for ımpaırment ın perıods ıf events or changes ın cırcumstances ındıcate the carryıng value may not be recoverable

Deferred taxation
The charge for taxatıon ıs based on the loss for the year and takes ınto account taxatıon deferred because of tımıng dıfferences between the treatment of certaın ıtems for taxatıon and accountıng purposes

Deferred tax ıs recognısed ın respect of all tımıng dıfferences that have orıgınated but not reversed at the balance sheet date where transactıons or events that result ın an oblıgatıon to pay more, or a rıght to pay less tax ın the future have occurred at the balance sheet date

Deferred tax assets are recognısed only to the extent that the dırectors consıder that ıt ıs more lıkely than not that there wıll be suıtable taxable profits from whıch the future reversal of the underlyıng tıme dıfference can be deducted

Deferred tax ıs measured on a non-dıscounted basıs at the tax rates that are expected to apply ın the perıods ın whıch the tımıng dıfferences reverse, based on tax rates and laws enacted or substantıvely enacted at the balance sheet date

Cash flow statement
In accordance wıth FRS 1(Revısed) these accounts do not ınclude a cash flow statement, as the company ıs a wholly owned subsıdıary of a parent undertakıng whose accounts ınclude a consolıdated cash flow statement and are publıcly avaılable

2 OPERATING LOSS

The operating loss is stated after charging

	2007	*Restated 2006*
	£000	*£000*
Depreciation on leasehold property	103	103

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 £1,900 (2006 £1,800)

3. DIRECTORS' REMUNERATION

The directors of the company are also directors of other undertakings within the HCA group of companies The directors' remuneration was paid by the HCA International Limited 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 other undertakings

4. TAX ON LOSS ON ORDINARY ACTIVITIES

(a) Analysis of tax credit for the year

	2007	*Restated 2006*
	£000	*£000*
UK current tax		
UK corporation tax	-	-
Tax underprovided in prior years	-	-
Total current tax	-	-
UK deferred tax		
Origination and reversal of timing differences	(28)	(26)
Impact of change in tax rate	(5)	-
Total deferred tax	(33)	(26)
Tax credit on loss on ordinary activities	(33)	(26)

(b) Factors affecting current tax (credit)/charge:

The tax assessed on the loss on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2006 30%) The differences are reconciled below

	2007 *£000*	*Restated* *2006* *£000*
Loss on ordinary activities before tax	(103)	(104)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK	(31)	(31)
Effect of		
Depreciation in excess of capital allowances	28	26
Disallowed expenses and other permanent differences	-	1
Group relief surrendered for no consideration	3	4
Total current tax for the year	-	-

From 1 April 2008 the UK corporation tax rate will be reduced from 30% to 28% The impact of the change in corporation tax rate is to increase the deferred tax credit by £5,000

5. TANGIBLE FIXED ASSETS

	Leasehold property improvements *£000*
Cost	
At 31 December 2006 and 2007	1,030
Depreciation	
At 1 January 2007 (as reported)	160
Prior year adjustment	510
At 1 January 2007 (restated)	670
Charge for the year	103
At 31 December 2007	773
Net book value	
At 31 December 2007	257
At 31 December 2006	360

6 DEBTORS

	2007	*2006*
	£000	*£000*
Amounts due from parent undertaking	996	996
Amounts due from other group undertakings	19	19
	1,015	1,015

7. CREDITORS: amounts falling due within one year

	2007	*2006*
	£000	*£000*
Amounts due to other group undertakings	1,081	1,081
	1,081	1,081

8. PROVISION FOR LIABILITIES AND CHARGES

Deferred taxation provided in the accounts is as follows

		Restated
	2007	*2006*
	£000	*£000*
Accelerated capital allowances	97	123

	2007	*2006*
	£000	*£000*
Provision at the start of year	97	123
Utilised during the year	(33)	(26)
Provision at the end of year	64	97

9. SHARE CAPITAL

	2007	*2006*
	£'000	*£'000*
Authorised, issued and fully paid		
90,000,100 ordinary shares of 1p each	900	900
100 deferred shares of £1 each	-	-
	900	900

10. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capıtal	*Profit and loss account*	*Total*
	£000	*£000*	*£000*
At 1 January 2006 (as reported)	900	(326)	574
Prıor year adjustment	-	(299)	(299)
At 1 January 2006 (restated)	900	(625)	275
Loss for the year	-	(78)	(78)
At 1 January 2007 (restated)	900	(703)	197
Loss for the year	-	(70)	(70)
At 31 December 2007	900	(773)	127

11. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptıon under FRS 8 not to dısclose transactıons wıth entıtıes that are part of the group, where 90% or more of the votıng rıghts of those entıtıes are controlled wıthın the group

12. ULTIMATE PARENT UNDERTAKING

The ımmedıate parent undertakıng ıs St Martıns Healthcare Lımıted, whıch ıs regıstered ın England and Wales Copıes of the ımmedıate parent undertakıng's accounts are avaılable from 242, Marylebone Road London, NW1 6JL

The company's ultımate parent undertakıng ıs HCA Inc , whıch ıs ıncorporated ın the Unıted States of Amerıca Copıes of the parent's consolıdated accounts may be obtaıned from Investor Relatıons, One Park Plaza, PO Box 550, Nashvılle, TN 37202-0550, USA