

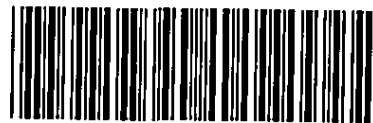
# **Lodestone Patient Care Limited**

## **Report and Financial Statements**

31 March 2009

Registered No. 2609976

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COMPANIES HOUSE

# Lodestone Patient Care Limited

Registered No. 2609976

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## **DIRECTORS**

A F Dun  
J-L Janet  
A W Smith

## **SECRETARY**

M M McKenna

## **AUDITORS**

Ernst & Young LLP  
No 1 Colmore Square  
Birmingham  
B4 6HQ

## **BANKERS**

NatWest Bank plc  
Piccadilly & New Bond Street Branch  
63 Piccadilly  
London  
W1J 0AJ

## **REGISTERED OFFICE**

Iceni Centre  
Warwick Technology Park  
Warwick  
CV34 6DA

# Lodestone Patient Care Limited

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## DIRECTORS' REPORT

The directors present their report and audited financial statements for the nine months ended 31 March 2009.

Following the acquisition of the Company by Alliance Medical Limited on 8 August 2008, the accounting reference date was changed to 31 March, so as to be contemporaneous with the rest of the group, resulting in the current period being the nine months ended 31 March 2009. The comparative period is for the twelve months ended 30 June 2008.

### RESULTS AND DIVIDENDS

The profit after taxation for the nine months ended 31 March 2009 amounted to £5.5m (year ended 30 June 2008: £2.6m) and was transferred to reserves. The Directors do not recommend the payment of a dividend (year ended 30 June 2008: £Nil).

### PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the Company during the period was the provision of outsourced radiology imaging services to public health services and independent organisations.

The key performance indicators of the company are:

	<i>Nine months ended 31 March 2009</i>	<i>Year ended 30 June 2008</i>
Turnover	£20.9m	£25.9m
Operating profit	£4.2m	£3.2m

On 8 August 2008, the Company's immediate parent, Lodestone Holdings Limited (now called MIA (UK) Limited), sold its entire investment in the Company to Alliance Medical Limited, registered in England and Wales.

### PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company are broadly grouped as – competitive, legislative and financial risk.

**Competitive Risks:** The Company has a number of contracts which are subject to periodic competitive tender. Whilst Alliance has a good record of renewing contracts and obtaining ongoing referrals from doctors, renewal is uncertain and based on financial, medical standards and performance criteria.

**Legislative Risks:** Diagnostic imaging services are subject to various medical standards. These standards are subject to continuous revision and any new Directive may have an impact on the costs that must be incurred by the Company to supply these services. In addition, failure to comply with the standards could materially affect the Company's ability to operate.

**Financial Risks:** The Company is subject to financial risk arising from changes in market conditions affecting interest rates and from counterparty risk of failing to discharge an obligation.

### MANAGEMENT OF RISK

The Company manages competition trading risk by providing added value services to our customers and by maintaining strong relationships with customers.

Credit risk is managed by agreeing payment terms in advance, including invoicing periods for long term contracts. Appropriate credit control procedures are followed at all operations where credit risk is perceived.

### FUTURE DEVELOPMENTS AND EVENTS SINCE THE BALANCE SHEET DATE

The Company transferred its trade and assets to Alliance Medical Limited on 1 April 2009 and ceased trading at this date.

# Lodestone Patient Care Limited

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## DIRECTORS' REPORT (continued)

### DIRECTORS AND THEIR INTERESTS

The directors who served during the period were as follows:

A F Dun (appointed 27 August 2008)  
J-L Janet (appointed 22 September 2008)  
A W Smith (appointed 27 August 2008)  
V P Byrne (resigned 27 August 2008)  
S J Davis (resigned 27 August 2008)  
C E Hollis (resigned 27 August 2008)  
C John (resigned 27 August 2008)  
M Masterson (resigned 27 August 2008)  
M Wilson (resigned 27 August 2008)

No director is beneficially interested in the share capital of the company.

### EMPLOYEE INVOLVEMENT

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

### DISABLED EMPLOYEES

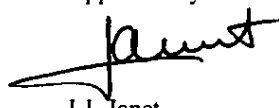
Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of existing members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### AUDITORS

In accordance with section 384 of the Companies Act 1985 a resolution will be put to the members at the Annual General Meeting to re-appoint Ernst & Young LLP as auditor of the Company.

The directors believe that they have taken reasonable steps in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. Further, they believe that there is no relevant audit information of which the Company's auditors are unaware.

Approved by the Board on 25 September 2009 and signed on its behalf by:



J-L Janet  
Finance Director

## Lodestone Patient Care Limited

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 group and the company and of the profit or loss of the group 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Lodestone Patient Care Limited

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LODESTONE PATIENT CARE LIMITED

We have audited the company's financial statements for the period ended 31 March 2009 which comprise the Profit and Loss Account and Balance Sheet and the related notes 1 to 21. 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 information given in 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 judgments 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.

### 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 March 2009 and of its profit for the period 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  
Birmingham

28 September 2009

## Lodestone Patient Care Limited

### PROFIT AND LOSS ACCOUNT

for the nine months ended 31 March 2009

		<i>Nine months ended 31 March 2009 £'000</i>	<i>Year ended 30 June 2008 £'000</i>
	<i>Notes</i>		
<b>TURNOVER</b>	2	20,869	25,935
Cost of sales		(15,904)	(5,211)
<b>GROSS PROFIT</b>		<u>4,965</u>	<u>20,724</u>
Administrative expenses - other		(2,503)	(19,284)
- exceptional items	4	1,708	1,718
<b>OPERATING PROFIT</b>	3	<u>4,170</u>	<u>3,158</u>
Interest receivable	5	27	100
Interest payable and similar charges	6	(27)	(22)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>4,170</u>	<u>3,236</u>
Taxation	7	953	(639)
<b>RETAINED PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	16	<u>5,123</u>	<u>2,597</u>

The Company transferred all of its contracts and assets to its immediate parent, Alliance Medical Limited on 1 April 2009 and therefore all of the Company's activities derive from discontinued operations.

There were no material differences between the results stated above and the results on a historic cost basis.

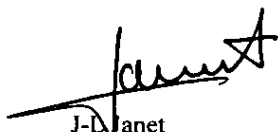
There are no recognised gains and losses other than those shown above and therefore, a statement of total recognised gains and losses has not been included in these financial statements.

# Lodestone Patient Care Limited

## BALANCE SHEET at 31 March 2009

		31 March 2009 £'000	30 June 2008 £'000
	Notes		
<b>FIXED ASSETS</b>			
Intangible assets	8	14,102	15,021
Tangible assets	9	16,665	19,084
Investments	10	700	700
		<u>31,467</u>	<u>34,805</u>
<b>CURRENT ASSETS</b>			
Stocks		73	66
Debtors: amounts falling due within one year	11	6,872	5,055
Cash at bank and in hand		1,945	1,711
		<u>8,890</u>	<u>6,832</u>
<b>CREDITORS: amounts falling due within one year</b>	12	(19,904)	(24,995)
<b>NET CURRENT LIABILITIES</b>		<u>(11,014)</u>	<u>(18,163)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		20,453	16,642
<b>Provisions for liabilities and charges</b>	13	-	(1,312)
<b>NET ASSETS</b>		<u>20,453</u>	<u>15,330</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	10,460	10,460
Profit and loss account	16	9,993	4,870
<b>SHAREHOLDERS' FUNDS</b>	16	<u>20,453</u>	<u>15,330</u>

These financial statements were approved by the Board of directors on 25 September 2009 and were signed on its behalf by:

  
J-L Janet  
Finance Director



# Lodestone Patient Care Limited

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## NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2009

### 1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

#### *Basis of consolidation*

Group financial statements have not been prepared as permitted by S228(1) of the Companies Act 1985, as the Company is a wholly owned subsidiary of Alliance Medical Group Limited, a company incorporated in England and Wales, from whose registered office group financial statements may be obtained. Therefore these financial statements present information about the Company and not about its Group.

#### *Cash flow statement*

The Company has taken advantage of the exemption provided in paragraph 5 of FRS 1 from preparing a Statement of Cash Flows. The cash flows of the Company are incorporated into the consolidated Statement of Cash Flows prepared in the group financial statements of the ultimate UK parent undertaking.

#### *Goodwill*

Goodwill arises on the acquisition of a Company or a trade and business and represents the excess of the cost of the acquisition over the Company's interest in the fair value of the identifiable assets and liabilities at the date of acquisition. Goodwill is capitalised as an intangible asset and amortised over its useful economic life of 20 years.

Goodwill is subsequently carried at cost less amortisation and any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the acquired business' cash generating units. Cash generating units to which goodwill has been allocated are tested for impairment at the end of the first full year following acquisition and subsequently only when there is an indication of potential impairment. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the unit and then to other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### *Tangible fixed assets and depreciation*

Tangible fixed assets are included at depreciated historical cost. 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:

Mobile scanning units and associated equipment	5 to 10 years straight line
Static scanning units and associated equipment (including buildings)	straight line over length of contract or 10 years, whichever is the shorter.
Motor vehicles	3 years straight line
Other plant and equipment	4 years straight line

Assets under construction are transferred to their respective asset class and commence depreciation on the date commercial operation commences.

# Lodestone Patient Care Limited

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## NOTES TO THE FINANCIAL STATEMENTS at 31 March 2009

### 1. ACCOUNTING POLICIES (continued)

#### *Leasing assets*

Assets held under finance lease contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the reducing balance of capital repayments outstanding.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

#### *Fixed asset investments*

Investments in subsidiary undertakings and joint ventures are stated at cost less provision for impairment.

#### *Stocks*

Stocks comprise of consumables and are stated at the lower of cost and net realisable value.

#### *Revenue recognition*

Turnover, which excludes value added tax, represents the value of goods and services supplied and is recognised according to the value of work supplied in the period.

#### *Pre contract mobilisation and bid costs*

Incremental bid costs associated with tendering for and winning bids are incurred directly by the Company. Such costs are recognised as an asset only when the following criteria are met:

- the group is almost certain of recovery as evidenced by the appointment as preferred bidder;
- the future cash flows arising from the operating contract are sufficient to re-imburse the Company.

The asset is amortised over the shorter of 5 years, the contract term, or the period which the costs are re-imbursed to the Company.

All costs incurred before the appointment of preferred bidder and associated with the operating contract commencement phase are provided for in full in the profit and loss account during the period they are incurred.

#### *Pensions*

The Company operates defined contribution pension plans, administered by a third party for certain directors and employees. Contributions are charged to the profit and loss account as they become payable.

#### *Deferred Taxation*

The charge for taxation is based on the profit for the period 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, with the exception that the Directors consider that it is more likely than not that there will be suitable taxation profits from which the future reversal of the underlying timing differences 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 timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

# Lodestone Patient Care Limited

## NOTES TO THE FINANCIAL STATEMENTS at 31 March 2009

### 1. ACCOUNTING POLICIES (continued)

#### *Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of transaction or at the contracted rate if the transaction is covered by a forward foreign currency contract.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

### 2. TURNOVER

Turnover represents amounts from the provision of services, stated net of value added tax and arises wholly from activities in the United Kingdom.

### 3. OPERATING PROFIT

(a) *This is stated after charging/(crediting):*

	<i>Nine months ended 31 March 2009 £'000</i>	<i>Year ended 30 June 2008 £'000</i>
Exceptional items (see note 4)	(1,708)	(1,718)
Auditors' remuneration		
- audit services	21	52
- taxation	4	-
- other services	5	-
Depreciation		
- assets held under finance leases	84	140
- owned assets	2,455	2,763
Amortisation	919	1,128
Profit on disposal of fixed assets	(12)	(59)
Accelerated depreciation	-	790
Operating lease rentals		
- other	3	-
- land and buildings	801	683

Accelerated depreciation of £790,000 was recorded in the prior year following a comprehensive review of the carrying value of the assets of the business.

# Lodestone Patient Care Limited

## NOTES TO THE FINANCIAL STATEMENTS at 31 March 2009

### 3. OPERATING PROFIT (continued)

#### (b) Directors' remuneration

	<i>Nine months ended 31 March 2009 £'000</i>	<i>Year ended 30 June 2008 £'000</i>
Emoluments	<u>254</u>	<u>304</u>
Company contributions paid to money purchase pension schemes	<u>6</u>	<u>61</u>
	<i>Nine months ended 31 March 2009 No.</i>	<i>Year ended 30 June 2008 No.</i>
Members of money purchase pension schemes	<u>3</u>	<u>2</u>
The amounts in respect of the highest paid director are as follows:	<i>Nine months ended 31 March 2009 £'000</i>	<i>Year ended 30 June 2008 £'000</i>
Emoluments	<u>217</u>	<u>122</u>
Company contributions paid to money purchase pension schemes	<u>3</u>	<u>54</u>

# Lodestone Patient Care Limited

## NOTES TO THE FINANCIAL STATEMENTS at 31 March 2009

### 3. OPERATING PROFIT (continued)

#### (c) Staff costs:

	<i>Nine months ended 31 March 2009 £'000</i>	<i>Year ended 30 June 2008 £'000</i>
Wages and salaries	5,690	7,849
Social security costs	502	688
Other pension costs	208	329
	<u>6,400</u>	<u>8,866</u>

	<i>Nine months ended 31 March 2009 Number</i>	<i>Year ended 30 June 2008 Number</i>
Administration	108	119
Technical	98	109
	<u>206</u>	<u>228</u>

### 4. EXCEPTIONAL ITEMS

Exceptional items (credited)/charged to the profit and loss account were:

	<i>Nine months ended 31 March 2009 £'000</i>	<i>Year ended 30 June 2008 £'000</i>
Operating profit items:		
Recovery of tender mobilisation costs	(1,852)	(1,718)
Integration of business	144	-
	<u>(1,708)</u>	<u>(1,718)</u>

#### **Recovery of tender mobilisation costs**

During the period the Company reached agreement on a settlement of £1.9m against costs incurred in prior periods, relating to a tender on a significant contract that was cancelled towards the end of the process. Settlement of this amount was outstanding as at 31 March 2009 but has since been received. £1.7m of bid costs were recovered during year ended 30 June 2008.

#### **Integration of business**

During the period the Lodestone business, acquired by Alliance Medical Limited during the period, has been integrated into the existing Alliance Medical UK business. This resulted in costs of £0.1m being incurred, primarily relating to the cost of combining systems.

# Lodestone Patient Care Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2009

### 5. INTEREST RECEIVABLE

	<i>Nine months ended 31 March 2009 £'000</i>	<i>Year ended 30 June 2008 £'000</i>
Bank deposit interest received	<u>27</u>	<u>100</u>

### 6. INTEREST PAYABLE

	<i>Nine months ended 31 March 2009 £'000</i>	<i>Year ended 30 June 2008 £'000</i>
Finance charges payable under finance leases and hire purchase contracts	7	22
Bank charges	20	-
	<u>27</u>	<u>22</u>

### 7. TAX ON PROFIT ON ORDINARY ACTIVITIES

#### (a) Tax on profit on ordinary activities

	<i>Nine months ended 31 March 2009 £'000</i>	<i>Year ended 30 June 2008 £'000</i>
<b>UK corporation tax</b>		
- current tax	353	469
- Over provision in prior years	6	(384)
Total current tax charge	<u>359</u>	<u>85</u>
<b>UK Deferred Tax</b>		
Origination and reversal of timing differences	(1,312)	554
Tax (credit)/charge on profit on ordinary activities	<u>(953)</u>	<u>639</u>

# Lodestone Patient Care Limited

## NOTES TO THE FINANCIAL STATEMENTS at 31 March 2009

### 7. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

#### (b) Factors affecting the tax charge for the year

The tax charge in the period differs from the standard rate of corporation tax in the UK of 28% (2008 – 30%)  
The differences are explained below:-

	<i>Nine months ended 31 March 2009 £'000</i>	<i>Year ended 30 June 2008 £'000</i>
Profit on ordinary activities before tax	4,170	3,236
Profit on ordinary activities at the standard rate of 28% (2008 – 29.5%)	1,168	954
Effects of:		
Expenses not deductible for tax purposes	381	250
Depreciation in excess of capital allowances	120	-
Capital allowances in excess of depreciation	-	(98)
Transfer pricing UK interest	-	(618)
Other short term timing differences	-	(5)
Utilisation of brought forward losses	-	(14)
Group relief received for no consideration	(1,316)	-
Adjustment in relation to prior periods	6	(384)
<b>Current tax charge for period (note 7 (a))</b>	<b>359</b>	<b>85</b>

#### (c) Factors that may affect future tax charges

There are significant tax losses generated in companies within the same corporation tax group. The Alliance Medical Group Limited group intends to continue to utilise group relief claims, which has the impact of reducing the effective tax rate of the Company from the standard rate of corporation tax.

### 8. INTANGIBLE FIXED ASSETS

	<i>Goodwill £'000</i>
Cost:	
At 30 June 2008 and 31 March 2009	24,571
Amortisation:	
At 30 June 2008	9,550
Charge for the period	919
	10,469
Net book value:	
At 31 March 2009	14,102
At 30 June 2008	15,021

# Lodestone Patient Care Limited

## NOTES TO THE FINANCIAL STATEMENTS at 31 March 2009

### 9. TANGIBLE FIXED ASSETS

	<i>Land and buildings £'000</i>	<i>Plant, equipment, fixtures and fittings £'000</i>	<i>Work in progress £'000</i>	<i>Total £'000</i>
Cost:				
At 1 July 2008	10,883	20,176	935	31,994
Additions	814	989	45	1,848
Disposals	(1,755)	(1,258)	-	(3,013)
Transfers	295	640	(935)	-
At 31 March 2009	<u>10,237</u>	<u>20,547</u>	<u>45</u>	<u>30,829</u>
Depreciation:				
At 1 July 2008	3,796	9,114	-	12,910
Provided during the period	700	1,839	-	2,539
Disposals	(597)	(688)	-	(1,285)
At 31 March 2009	<u>3,899</u>	<u>10,265</u>	<u>-</u>	<u>14,164</u>
Net book value:				
At 31 March 2009	<u>6,338</u>	<u>10,282</u>	<u>45</u>	<u>16,665</u>
At 30 June 2008	<u>7,087</u>	<u>11,062</u>	<u>935</u>	<u>19,084</u>
Net book value of assets included above held under finance leases:				
At 31 March 2009	<u>-</u>	<u>837</u>	<u>-</u>	<u>837</u>
At 30 June 2008	<u>-</u>	<u>568</u>	<u>-</u>	<u>568</u>

The net book value of short leasehold buildings included above is £5,961,000 (2008: £6,982,000).

There is a first, fixed and floating charge on all assets of the Company (see note 17).



# Lodestone Patient Care Limited

## NOTES TO THE FINANCIAL STATEMENTS at 31 March 2009

### 10. INVESTMENTS

	<i>Subsidiary Undertakings £'000</i>
Cost and net book value:	
At 30 June 2008 and 31 March 2009	<u>700</u>

#### *Subsidiary undertakings*

The Company held at 31 March 2009 either directly or indirectly the issued share capital of the following companies :

<i>Name</i>	<i>Country of Incorporation</i>	<i>% Ordinary Shares</i>	<i>Activity</i>
Community Diagnostics Limited	England	100	Dormant
Lodestone Radiology Limited	England	100	Dormant
Lodestone Imaging Limited	England	100	Dormant
* Lodestone MRI Limited	England	100	Dormant

\* Held by subsidiary undertaking

### 11. DEBTORS: amounts falling due within one year

	<i>31 March 2009 £'000</i>	<i>30 June 2008 £'000</i>
Trade debtors	2,766	2,304
Prepayments and other debtors	4,106	2,703
Corporation tax	-	48
	<u>6,872</u>	<u>5,055</u>

### 12. CREDITORS: amounts falling due within one year

	<i>31 March 2009 £'000</i>	<i>30 June 2008 £'000</i>
Trade creditors	1,102	1,291
Obligations under finance leases and hire purchase contracts (note 14)	31	172
Other taxes and social security costs	415	433
Amounts due to group undertakings	15,743	19,787
Other creditors and accruals	2,372	3,312
Corporation tax	241	-
	<u>19,904</u>	<u>24,995</u>

# Lodestone Patient Care Limited

## NOTES TO THE FINANCIAL STATEMENTS at 31 March 2009

### 13. PROVISIONS FOR LIABILITIES AND CHARGES

#### *Deferred taxation*

The movements in the deferred taxation provision are as follows:

	<i>Nine months ended 31 March 2009 £'000</i>	<i>Year to 30 June 2008 £'000</i>
Opening deferred tax liability	1,312	758
Deferred tax credit in the profit and loss account for the period (see note 7)	(1,312)	554
Deferred tax asset at 31 March	-	1,312
The deferred tax liability/(asset) provided in the financial statements relates to:	<i>31 March 2009 £'000</i>	<i>30 June 2008 £'000</i>
Accelerated capital allowances	-	1,316
Other timing differences	-	(4)
	-	1,312

There were no unprovided deferred tax amounts.

### 14. OBLIGATIONS UNDER LEASES AND HIRE PURCHASE CONTRACTS

#### *(a) Hire Purchase contracts*

The maturity of these amounts is as follows:

	<i>2009 £'000</i>	<i>2008 £'000</i>
Amounts payable:		
Within one year	31	172
	31	172
Less: finance charges allocated to future periods	-	-
	31	172
Finance lease and hire purchase contracts are analysed as follows:		
Current obligations	31	172
Non current obligations	-	-
	31	172

# Lodestone Patient Care Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2009

### 14. OBLIGATIONS UNDER LEASES AND HIRE PURCHASE CONTRACTS (continued)

#### (b) Operating leases

The Company is committed to making the following payments within the next year in respect of non-cancellable operating leases expiring as follows:

	<i>Land and buildings</i>	
	<i>2009</i>	<i>2008</i>
	<i>£'000</i>	<i>£'000</i>
Within one year	56	14
Between two and five years	85	161
Greater than five years	625	638
	<u>766</u>	<u>813</u>

Capital commitments of £Nil have been authorised and contracted for by the Company as at 31 March 2009 (30 June 2008 - £1.4m).

### 15. SHARE CAPITAL

	<i>31 March 2009 No.</i>	<i>31 March 2009 £'000</i>	<i>30 June 2008 No.</i>	<i>30 June 2008 £'000</i>
<i>Ordinary shares of £1 each</i>				
Authorised	<u>100,000,000</u>	<u>100,000</u>	<u>100,000,000</u>	<u>100,000</u>
Allotted, called up and fully paid	<u>10,460,000</u>	<u>10,460</u>	<u>10,460,000</u>	<u>10,460</u>

### 16. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share Capital £'000</i>	<i>Profit and loss account £'000</i>	<i>Total £'000</i>
At 30 June 2008	10,460	4,870	15,330
Profit for the period	-	5,123	5,123
At 31 March 2009	<u>10,460</u>	<u>9,993</u>	<u>20,453</u>

### 17. CROSS PARTY GUARANTEE

The Company, along with all other group companies, has committed to guarantee the bank loan facilities granted to Alliance Medical Acquisitionco Limited.

As such the loans in that company are secured by fixed and floating charges over the assets of the group.

## Lodestone Patient Care Limited

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### NOTES TO THE FINANCIAL STATEMENTS at 31 March 2009

#### **18. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption in paragraph 3 of FRS 8 from disclosing transactions with related parties that are part of the Alliance Medical Group Limited group.

#### **19. PARENT UNDERTAKINGS**

The immediate parent undertaking at 31 March 2009 was Alliance Medical Limited, registered in England and Wales.

The smallest group, for which group financial statements are drawn up, is Alliance Medical Group Limited, registered in England and Wales. The financial statements can be obtained by writing to the Secretary at Icen Centre, Warwick Technology Park, Warwick, CV34 6DA.

The largest group including the Company, for which group financial statements are prepared is Dubai International Capital LLC, a company incorporated in the United Arab Emirates. The ultimate parent company is Dubai Holdings LLC. The director's regard Dubai International Capital LLC, a company incorporated in the United Arab Emirates, as the ultimate controlling party.

#### **20. POST BALANCE SHEET EVENT**

The Company transferred all of its contracts and assets to its immediate parent, Alliance Medical Limited on 1 April 2009 and ceased trading at this date.

#### **21. PENSION COMMITMENTS**

The Company participates in defined contribution schemes, the assets of which are held separately from those of the Company and are invested with an insurance company and external fund managers. Unpaid contributions outstanding at the year end were £nil (2008 - £nil).