

Financial Statements

Bowerfield House Limited

For the year ended 30 April 2014

Registered number: 02221521



Bowerfield House Limited

Company Information

Directors	P J Burgan C Ball P G Fagan
Registered number	02221521
Registered office	Westcourt Gelderd Road Leeds LS12 6DB
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor No 1 Whitehall Riverside Leeds West Yorkshire LS1 4BN
Bankers	Lloyds TSB Bank plc 6-7 Park Row Leeds LS1 1NX

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Directors' Report

For the year ended 30 April 2014

The directors present their report and the financial statements for the year ended 30 April 2014.

Directors

The directors who served during the year were:

P J Burgan
C Ball
P G Fagan

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Bowerfield House Limited

Directors' Report

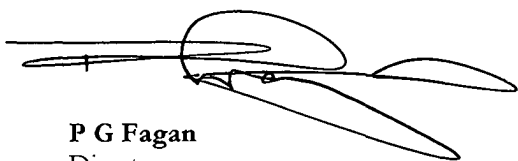
For the year ended 30 April 2014

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 29 January 2015 and signed on its behalf.



P G Fagan
Director

Independent Auditor's Report to the Members of Bowerfield House Limited

We have audited the financial statements of Bowerfield House Limited for the year ended 30 April 2014, which comprise the Profit and loss account, the Balance sheet and the related notes. 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 auditor

As explained more fully in the Directors' responsibilities statement, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 30 April 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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 Bowerfield House Limited

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report and in preparing the Directors' report.

Grant Thornton UK LLP

Andrew Wood (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Leeds
Date:

29/1/15

Profit and Loss Account

For the year ended 30 April 2014

	Note	2014 £	2013 £
Turnover	1	928,595	894,349
Cost of sales		<u>(534,867)</u>	<u>(522,338)</u>
Gross profit		393,728	372,011
Administrative expenses		<u>(501,258)</u>	<u>(434,241)</u>
Operating loss	2	(107,530)	(62,230)
Interest payable and similar charges	4	<u>(9,208)</u>	<u>(10,431)</u>
Loss on ordinary activities before taxation		(116,738)	(72,661)
Tax on loss on ordinary activities	5	<u>4,000</u>	<u>12,711</u>
Loss for the financial year	13	<u><u>(112,738)</u></u>	<u><u>(59,950)</u></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 7 to 14 form part of these financial statements.

Balance Sheet

As at 30 April 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Intangible assets	6		277,315		287,870
Tangible assets	7		347,196		375,404
			<u>624,511</u>		<u>663,274</u>
Current assets					
Debtors: amounts falling due after more than one year	8	604,622		657,451	
Debtors: amounts falling due within one year	8	97,814		111,173	
Cash in hand		662		467	
		<u>703,098</u>		<u>769,091</u>	
Creditors: amounts falling due within one year	9	<u>(308,546)</u>		<u>(429,971)</u>	
Net current assets			<u>394,552</u>		<u>339,120</u>
Total assets less current liabilities			<u>1,019,063</u>		<u>1,002,394</u>
Creditors: amounts falling due after more than one year	10		<u>(1,131,977)</u>		<u>(1,002,570)</u>
Net liabilities			<u>(112,914)</u>		<u>(176)</u>
Capital and reserves					
Called up share capital	12		100		100
Profit and loss account	13		<u>(113,014)</u>		<u>(276)</u>
Shareholders' deficit	14		<u>(112,914)</u>		<u>(176)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

29 January 2015

C Ball
Director

The notes on pages 7 to 14 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 April 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Going concern

The company made a loss before tax for the year of £116,738 and at the year end the company had net liabilities of £112,914. The company is dependent upon the continued support of its parent undertaking. The company manages financial risk by ensuring that sufficient liquidity is available to meet foreseeable needs, and to invest cash assets safely and profitably. The directors review three year cash flow requirements on a monthly basis to ensure that bank borrowings and overdraft facilities are sufficient to support the strategic plans of the company. The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The directors, having assessed the responses of the directors of the company's parent, Maria Mallaband Care Group Limited, to their enquiries have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the group to continue as a going concern or its ability to continue with the current banking arrangements. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.5 Intangible fixed assets and amortisation

Intangible fixed assets, comprising the company's interest in leases to operate care homes, are disclosed at market valuations at the date of acquisition, and are amortised over the life of the lease. The intangible assets are also subject to annual impairment reviews. Impairment losses are recognised in the profit and loss account where caused by a clear consumption of economic benefits. Other impairments are recognised in the statement of total recognised gains and losses until the carrying amount of the asset reaches its depreciated historical cost and thereafter in the profit and loss account.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	period of the lease
Motor vehicles	-	5 years straight line
Fixtures & fittings	-	5 - 10 years straight line
Office equipment	-	5 years reducing balance

Notes to the Financial Statements

For the year ended 30 April 2014

1. Accounting Policies (continued)

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2. Operating loss

The operating loss is stated after charging:

	2014	2013
	£	£
Amortisation - lease interests	10,555	10,555
Depreciation of tangible fixed assets:		
- owned by the company	46,217	46,498
Operating lease rentals:		
- other operating leases	267,535	239,324
	<u>267,535</u>	<u>239,324</u>

During the year, no director received any emoluments (2013 - £NIL).

Audit fees for the current and prior year were paid by another group company.

Notes to the Financial Statements

For the year ended 30 April 2014

3. Staff costs

Staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	533,475	512,173
Social security costs	40,057	39,092
	<u>573,532</u>	<u>551,265</u>

The average monthly number of employees, including the directors, during the year was as follows:

2014	2013
No.	No.
<u>39</u>	<u>40</u>

4. Interest payable

	2014	2013
	£	£
On bank loans and overdrafts	<u>9,208</u>	<u>10,431</u>

Notes to the Financial Statements

For the year ended 30 April 2014

5. Taxation

	2014 £	2013 £
Analysis of tax charge/(credit) in the year		
Current tax (see note below)		
UK corporation tax charge/(credit) on loss for the year	-	(6,711)
Deferred tax (see note 11)		
Origination and reversal of timing differences	(4,000)	(6,000)
Tax on loss on ordinary activities	<u>(4,000)</u>	<u>(12,711)</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 21% (2013 - 23%). The differences are explained below:

	2014 £	2013 £
Loss on ordinary activities before tax	<u>(116,738)</u>	<u>(72,661)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2013 - 23%)	(24,515)	(16,712)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,411	4,987
Capital allowances for year in excess of depreciation	4,447	5,014
Other timing differences leading to an increase (decrease) in taxation	18	-
Group relief	15,639	-
Current tax charge/(credit) for the year (see note above)	<u>-</u>	<u>(6,711)</u>

Notes to the Financial Statements

For the year ended 30 April 2014

6. Intangible fixed assets

	Lease interests £
Valuation	
At 1 May 2013 and 30 April 2014	417,321
Amortisation	
At 1 May 2013	129,451
Charge for the year	10,555
At 30 April 2014	140,006
Net book value	
At 30 April 2014	277,315
At 30 April 2013	287,870

7. Tangible fixed assets

	L/Term Leasehold Property £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
Cost					
At 1 May 2013	352,216	58,776	313,269	6,869	731,130
Additions	-	-	18,009	-	18,009
At 30 April 2014	352,216	58,776	331,278	6,869	749,139
Depreciation					
At 1 May 2013	45,081	58,776	245,000	6,869	355,726
Charge for the year	10,238	-	35,979	-	46,217
At 30 April 2014	55,319	58,776	280,979	6,869	401,943
Net book value					
At 30 April 2014	296,897	-	50,299	-	347,196
At 30 April 2013	307,135	-	68,269	-	375,404

Notes to the Financial Statements

For the year ended 30 April 2014

8. Debtors

	2014 £	2013 £
Due after more than one year		
Amounts owed by group undertakings	604,622	657,451
	<u>604,622</u>	<u>657,451</u>
Due within one year		
Trade debtors	18,540	21,753
Other debtors	1,900	7,502
Prepayments and accrued income	73,374	81,918
Deferred tax asset (see note 11)	4,000	-
	<u>97,814</u>	<u>111,173</u>
	<u>604,622</u>	<u>657,451</u>

9. Creditors:

Amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts	236,200	365,249
Net obligations under finance leases and hire purchase contracts	3,318	3,318
Trade creditors	14,092	16,951
Other taxation and social security	9,342	9,956
Other creditors	5,369	-
Accruals and deferred income	40,225	34,497
	<u>308,546</u>	<u>429,971</u>
	<u>308,546</u>	<u>429,971</u>

10. Creditors:

Amounts falling due after more than one year

	2014 £	2013 £
Amounts owed to group undertakings	628,816	480,409
Accruals and deferred income	503,161	522,161
	<u>1,131,977</u>	<u>1,002,570</u>
	<u>1,131,977</u>	<u>1,002,570</u>

Notes to the Financial Statements

For the year ended 30 April 2014

11. Deferred taxation

	2014 £	2013 £
At beginning of year	-	(6,000)
Released during year (P&L)	4,000	6,000
At end of year	<u>4,000</u>	<u>-</u>

The deferred taxation balance is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>4,000</u>	<u>-</u>

12. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

13. Reserves

	Profit and loss account £
At 1 May 2013	(276)
Loss for the financial year	(112,738)
At 30 April 2014	<u>(113,014)</u>

14. Reconciliation of movement in shareholders' deficit

	2014 £	2013 £
Opening shareholders' (deficit)/funds	(176)	59,774
Loss for the financial year	(112,738)	(59,950)
Closing shareholders' deficit	<u>(112,914)</u>	<u>(176)</u>

Notes to the Financial Statements

For the year ended 30 April 2014

15. Contingent liabilities

The company is party to an unlimited inter-company composite guarantee securing the borrowings of the members of the Maria Mallaband Care Group Limited group. At 30 April 2014 these amounted to £36,841,785 (2013: £36,714,565).

16. Operating lease commitments

At 30 April 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2014	2013
	£	£
Expiry date:		
After more than 5 years	142,933	269,649

17. Transactions with directors

There were no transactions with the directors during the period under review.

18. Ultimate parent undertaking and controlling party

Mr P J Burgan is this company's controlling related party by virtue of his majority shareholding in Maria Mallaband Care Group Limited.

In the opinion of the directors the ultimate parent undertaking is Maria Mallaband Care Group Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of the ultimate parent undertaking's financial statements may be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.