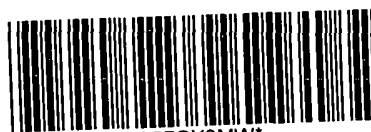


Company Registration No. 03148789 (England and Wales)

ABBOTSOUND LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 30 APRIL 2015

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ABBOTSOUND LIMITED

COMPANY INFORMATION

Directors	M L Hampson M J Hampson N G Waring
Secretary	M J Hampson
Company number	03148789
Registered office	The Links Resource Centre 21 Cromwell Avenue Eccles Manchester M30 0QT
Auditors	UHY Hacker Young Manchester LLP St James Building 79 Oxford Street Manchester M1 6HT
Business address	The Links Resource Centre 21 Cromwell Avenue Eccles Manchester M30 0QT
Bankers	Barclays Bank plc 51 Mosley Street Manchester M60 2AU
Solicitors	Bermans LLP Cardinal House 20 St Marys Parsonage Manchester M3 2LY

ABBOTSOUND LIMITED

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ABBOTSOUND LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2015

The directors present the strategic report and financial statements for the year ended 30 April 2015.

Review of the business

The directors are satisfied with the performance of the business during the year.

The principal risks and uncertainties facing the company include ensuring a high standard of care is being provided to all Day centre, Respite unit and Domiciliary clients. Rigorous checks are performed on a daily basis as per CQC regulations to ensure that the company's care standards remain current and to a high standard. There is low exposure to bad debt due to the type of clients. Payment is predominantly made by Local Authorities and there are tight control procedures in place.

The directors are satisfied with the company's position at the year end which shows a strong net current asset position.

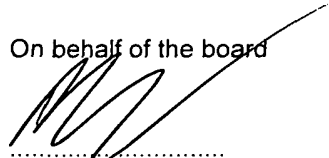
No events have occurred since the balance sheet date which significantly affect the company.

During the year turnover decreased by 7.5%, and the gross margin has decreased to 54.9% from 57.1%.

The directors continue to monitor the utilisation of the care facilities on a daily basis.

In all cases these KPIs have been calculated on a consistent basis with the 2014 figures and are based directly on the amounts shown in the financial statements.

On behalf of the board



.....
M L Hampson

Director

5/5/16.....

ABBOTSOUND LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2015

The directors present their report and financial statements for the year ended 30 April 2015.

Principal activities

The principal activities of the company during the year were that of managing premises, providing and running care homes.

Results and dividends

The results for the year are set out on page 6.

The directors do not recommend payment of an ordinary dividend.

An interim preference dividend was paid amounting to £39,900. The directors do not recommend payment of a final preference dividend.

Directors

The following directors have held office since 1 May 2014:

M L Hampson

M J Hampson

N G Waring

(Appointed 11 August 2014)

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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.

ABBOTSOUND LIMITED


DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M L Hampson

Director

5/5/16

ABBOTSOUND LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABBOTSOUND LIMITED

We have audited the financial statements of Abbotsound Limited for the year ended 30 April 2015 set out on pages 6 to 19. 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 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

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 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 Annual 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.

Basis of qualified opinion on the financial statements

With respect to trade debtors having a carrying amount of £153,318 and trade creditors having a carrying amount of £48,511 the audit evidence available to us was limited because the accounting records were inadequate for our purposes. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding these balances.

Qualified opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2015 and of its profit for the year then ended; and
- 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ABBOTSOUND LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ABBOTSOUND LIMITED

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to trade debtors and trade creditors:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- adequate accounting records had not been maintained.

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:

- 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.



Michael Wasinski (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP

5/5/16

Chartered Accountants
Statutory Auditor

St James Building
79 Oxford Street
Manchester
M1 6HT

ABBOTSOUND LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2015

	Notes	2015 £	2014 £
Turnover	2	1,360,858	1,470,608
Cost of sales		(613,439)	(631,193)
Gross profit		747,419	839,415
Administrative expenses		(486,996)	(489,623)
Operating profit	3	260,423	349,792
Interest payable and similar charges	4	(40,377)	(33,136)
Other finance costs	4	(39,900)	(39,900)
Profit on ordinary activities before taxation		180,146	276,756
Tax on profit on ordinary activities	5	(66,586)	(71,961)
Profit for the year	13	113,560	204,795

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

ABBOTSOUND LIMITED

BALANCE SHEET

AS AT 30 APRIL 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	6	3,162,569		2,126,934	
Investments	7	1		1	
		<u>3,162,570</u>		<u>2,126,935</u>	
Current assets					
Debtors	8	3,899,610		3,873,778	
Cash at bank and in hand		258		3,342	
		<u>3,899,868</u>		<u>3,877,120</u>	
Creditors: amounts falling due within one year	9	<u>(1,310,616)</u>		<u>(780,234)</u>	
Net current assets		<u>2,589,252</u>		<u>3,096,886</u>	
Total assets less current liabilities		<u>5,751,822</u>		<u>5,223,821</u>	
Creditors: amounts falling due after more than one year	10	(1,944,004)		(1,541,544)	
Provisions for liabilities	11	(38,442)		(26,461)	
		<u>3,769,376</u>		<u>3,655,816</u>	
Capital and reserves					
Called up share capital	12	750		750	
Other reserves	13	145,000		145,000	
Profit and loss account	13	3,623,626		3,510,066	
Shareholders' funds	14	<u>3,769,376</u>		<u>3,655,816</u>	

Approved by the Board and authorised for issue on 5/5/16

M L Hampson
Director

Company Registration No. 03148789

ABBOTSOUND LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 APRIL 2015

	£	2015 £	£	2014 £
Net cash inflow from operating activities		390,766		338,221
Returns on investments and servicing of finance				
Interest paid	(40,377)		(33,136)	
Non equity dividends paid	(39,900)		(39,900)	
Net cash outflow for returns on investments and servicing of finance		(80,277)		(73,036)
Taxation		(89,097)		(2,595)
Capital expenditure				
Payments to acquire tangible assets	(623,983)		(52,697)	
Receipts from sales of tangible assets	2,000		-	
Net cash outflow for capital expenditure		(621,983)		(52,697)
Net cash (outflow)/inflow before management of liquid resources and financing		(400,591)		209,893
Financing				
New long term bank loan	630,240		-	
Repayment of long term bank loan	(247,131)		(177,141)	
Capital element of hire purchase contracts	(1,417)		(2,833)	
Net cash inflow/(outflow) from financing		381,692		(179,974)
(Decrease)/increase in cash in the year		(18,899)		29,919

ABBOTSOUND LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2015

1 Reconciliation of operating profit to net cash inflow from operating activities	2015	2014
	£	£
Operating profit	260,423	349,792
Depreciation of tangible assets	112,157	96,189
Loss on disposal of tangible assets	1,471	-
Increase in debtors	(24,216)	(65,826)
Increase/(decrease) in creditors within one year	40,931	(41,934)
Net cash inflow from operating activities	390,766	338,221

2 Analysis of net debt	1 May 2014	Cash flow	Other non-cash changes	30 April 2015
	£	£	£	£
Net cash:				
Cash at bank and in hand	3,342	(3,084)	-	258
Bank overdrafts	(99,535)	(15,815)	-	(115,350)
	(96,193)	(18,899)	-	(115,092)
Bank deposits	-	-	-	-
Debt:				
Finance leases	(1,417)	1,417	-	-
Debts falling due within one year	(179,345)	19,351	-	(159,994)
Debts falling due after one year	(1,541,544)	(402,460)	-	(1,944,004)
	(1,722,306)	(381,692)	-	(2,103,998)
Net debt	(1,818,499)	(400,591)	-	(2,219,090)

3 Reconciliation of net cash flow to movement in net debt	2015	2014
	£	£
(Decrease)/increase in cash in the year	(18,899)	29,919
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(381,692)	179,974
Movement in net debt in the year	(400,591)	209,893
Opening net debt	(1,818,499)	(2,028,392)
Closing net debt	(2,219,090)	(1,818,499)

4 Major non-cash transactions

During the year the company acquired properties amounting to £1,044,394. The consideration was settled in part by a loan from L and L C Hampson amounting to £527,125.

ABBOTSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The financial statements have been prepared under the going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

The company is reliant on the support of its bankers and the agreed facility. The directors believe the company will generate sufficient cash to remain within the terms of the facility. Should the facility be withdrawn and an alternative not secured then the company would not have sufficient financing to enable it to continue as a going concern. The financial statements do not include any adjustments that would result should continuing support cease to be made available by the bank.

The directors believe that it is appropriate for the financial statements to be prepared on a going concern basis.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for the management of premises, providing and running care homes net of discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings freehold	2% straight line
Land and buildings leasehold	10% straight line
Fixtures and fittings	10 - 15% reducing balance
Motor vehicles	25% reducing balance

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

ABBOTSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

1 Accounting policies (Continued)

1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 402 of the Companies Act 2006 as its subsidiary undertaking can be excluded from consolidation under section 405 of the Companies Act 2006.

1.9 Preference shares classed as a liability

Preference shares that provide for mandatory redemption by the company for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the company to redeem the instrument at or after a particular date for a fixed or determinable amount are classed as a financial liability. Declared dividends are included in other finance costs.

2 Turnover and profit on ordinary activities before taxation

	Turnover 2015 £	2014 £
Class of business		
Resident fees	1,110,935	1,217,069
Other income	249,923	253,539
	<u>1,360,858</u>	<u>1,470,608</u>

3 Operating profit

	2015 £	2014 £
Operating profit is stated after charging:		
Depreciation of tangible assets	112,157	96,189
Loss on disposal of tangible assets	1,471	-
Auditors' remuneration (including expenses and benefits in kind)	7,800	7,800
	<u>121,428</u>	<u>104,089</u>

4 Interest payable

	2015 £	2014 £
Dividends paid on preference shares	39,900	39,900
On bank loans and overdrafts	32,828	29,964
Hire purchase interest	206	495
On overdue tax	4,178	1,540
Other interest	3,165	1,137
	<u>80,277</u>	<u>73,036</u>

ABBOTSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

5	Taxation	2015 £	2014 £
	Domestic current year tax		
	U.K. corporation tax	56,445	77,556
	Adjustment for prior years	(1,840)	225
	Total current tax	<u>54,605</u>	<u>77,781</u>
	Deferred tax		
	Deferred tax charge/credit current year	11,981	(5,820)
		<u>66,586</u>	<u>71,961</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>180,146</u>	<u>276,756</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 22.83%)	<u>36,029</u>	<u>63,183</u>
	Effects of:		
	Non deductible expenses	8,378	9,198
	Depreciation add back	22,431	21,989
	Capital allowances	(10,412)	(8,858)
	Marginal relief	-	(7,978)
	Adjustments to previous periods	(1,840)	225
	Other tax adjustments	19	22
		<u>18,576</u>	<u>14,598</u>
	Current tax charge for the year	<u>54,605</u>	<u>77,781</u>

ABBOTSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

6 Tangible fixed assets

	Land and buildings freehold £	Land and buildings leasehold £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 May 2014	3,974,000	150,000	207,772	41,663	4,373,435
Additions	1,044,394	-	102,869	4,000	1,151,263
Disposals	-	-	-	(31,463)	(31,463)
At 30 April 2015	5,018,394	150,000	310,641	14,200	5,493,235
Depreciation					
At 1 May 2014	1,978,765	150,000	83,847	33,889	2,246,501
On disposals	-	-	-	(27,992)	(27,992)
Charge for the year	91,665	-	18,918	1,574	112,157
At 30 April 2015	2,070,430	150,000	102,765	7,471	2,330,666
Net book value					
At 30 April 2015	2,947,964	-	207,876	6,729	3,162,569
At 30 April 2014	1,995,235	-	123,925	7,774	2,126,934

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 30 April 2015	-
At 30 April 2014	4,303
Depreciation charge for the year	
At 30 April 2015	-
At 30 April 2014	1,434

The directors do not consider the market value of the properties to be less than their net book values.

ABBOTSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

7 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 May 2014 & at 30 April 2015	1
Net book value	
At 30 April 2015	1
At 30 April 2014	1

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Abbotsound Developments Limited	England and Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2015 £	Profit/(loss) for the year 2015 £
	Principal activity		
Abbotsound Developments Limited	Building construction and development	(111,594)	-

8 Debtors	2015 £	2014 £
Trade debtors	153,318	30,062
Amounts owed by parent and fellow subsidiary undertakings	3,632,096	3,632,096
Corporation tax	3,824	2,208
Other debtors	69,019	88,103
Prepayments and accrued income	41,353	121,309
	<u>3,899,610</u>	<u>3,873,778</u>

ABBOTSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

9	Creditors: amounts falling due within one year	2015 £	2014 £
	Bank loans and overdrafts	275,344	278,880
	Net obligations under hire purchase contracts	-	1,417
	Trade creditors	48,511	29,809
	Corporation tax	123,115	155,991
	Other taxes and social security costs	36,543	39,727
	Other creditors	800,426	259,690
	Accruals and deferred income	26,677	14,720
		<hr/>	<hr/>
		1,310,616	780,234
		<hr/>	<hr/>

The bank loans and overdrafts are secured by land charges over the properties of the company and a cross guarantee between Abbotsound Limited, Abbotsound Developments Limited and Positive Lifestyles Limited.

Hire purchase creditors are secured on the assets to which they relate.

ABBOTSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

10 Creditors: amounts falling due after more than one year	2015 £	2014 £
Bank loans	1,279,004	876,544
Preference shares classed as a financial liability	665,000	665,000
	<u>1,944,004</u>	<u>1,541,544</u>
Analysis of loans		
Not wholly repayable within five years by instalments:		
Bank loans	826,272	952,940
Wholly repayable within five years	612,726	102,949
	<u>1,438,998</u>	<u>1,055,889</u>
Included in current liabilities	(159,994)	(179,345)
	<u>1,279,004</u>	<u>876,544</u>
Instalments not due within five years	<u>192,932</u>	<u>319,600</u>
Loan maturity analysis		
In more than one year but not more than two years	161,133	176,940
In more than two years but not more than five years	924,939	380,004
In more than five years	192,932	319,600
	<u></u>	<u></u>
Preference shares classified as financial liabilities		
In more than two years but not more than five years	665,000	665,000
	<u></u>	<u></u>

The 6% cumulative redeemable preference shares have the right to a fixed dividend of 6% per annum payable monthly. On any winding up of the company they are entitled to a repayment of capital and any unpaid dividends in priority to the holders of ordinary shares but have no right to any surplus of profits or assets. The holders of the 6% cumulative redeemable preference shares have no right to attend or vote at any general meeting unless any dividends are in arrears or a resolution affecting the rights of the shares is discussed.

ABBOTSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

11 Provisions for liabilities

	Deferred tax liability £
Balance at 1 May 2014	26,461
Profit and loss account	11,981
Balance at 30 April 2015	<u>38,442</u>

The deferred tax liability is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>38,442</u>	<u>26,461</u>

12 Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
750 Ordinary shares of £1 each	<u>750</u>	<u>750</u>

The 665,000 6% redeemable preference shares of £1 each are presented as a liability and accordingly excluded from called-up share capital in the balance sheet. During the year preference share dividends of £39,900 (2014 - £39,900) have been treated as other finance costs in the profit and loss account.

13 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 May 2014	145,000	3,510,066
Profit for the year	-	113,560
Balance at 30 April 2015	<u>145,000</u>	<u>3,623,626</u>
Other reserves		
Capital redemption reserve		
Balance at 1 May 2014 & at 30 April 2015	<u>145,000</u>	

ABBOTSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2015

14 Reconciliation of movements in shareholders' funds	2015 £	2014 £
Profit for the financial year	113,560	204,795
Opening shareholders' funds	3,655,816	3,451,021
	<u> </u>	<u> </u>
Closing shareholders' funds	<u>3,769,376</u>	<u>3,655,816</u>

15 Contingent liabilities

The company has in place a cross guarantee dated 30 March 2005 in favour of Abbotsound Developments Limited and Positive Lifestyles Limited in respect of bank borrowings. At the year end the maximum potential liability under the guarantee amounted to £6,327 (2014 - £19,284).

16 Directors' remuneration	2015 £	2014 £
Remuneration for qualifying services	<u>8,126</u>	<u>40,200</u>

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Nursing/daycare staff	51	52
Directors	<u>3</u>	<u>2</u>
	<u>54</u>	<u>54</u>

Employment costs	2015 £	2014 £
Wages and salaries	674,957	717,945
Social security costs	<u>38,738</u>	<u>41,597</u>
	<u>713,695</u>	<u>759,542</u>

ABBOTSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

18 Control

The immediate and ultimate parent company is Abbotsound Investments Limited, a company registered in England and Wales.

In the opinion of the directors there is no ultimate controlling party.

19 Related party relationships and transactions

Loans to directors

Transactions in relation to loans with directors during the year are outlined in the table below:

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
M L Hampson	-	15,297	46,057	-	(61,354)	-
		15,297	46,057	-	(61,354)	-

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

L and L C Hampson are related to the company as parents of M J and M L Hampson. During the year the company purchased properties amounting to £1,044,394 (2014 - £nil) from L and L C Hampson. The transactions were carried out on normal commercial terms. Included in other creditors is a balance of £509,047 (2014 - £88,332) due to L and L C Hampson.

The company is related to Positive Lifestyles Limited by virtue of common directors. During the year the company received rental income and service charges amounting to £245,351 (2014 - £210,310) from Positive Lifestyles Limited. The transactions were carried out on normal commercial terms. Creditors include balances amounting to £175,294 (2014 - £61,030) due to Positive Lifestyles Limited.

The company is related to Volcare Limited by virtue of common directors and shareholders. Debtors include balances amounting to £38,581 (2014 - £39,282) due from Volcare Limited.

During the year the company paid dividends on the redeemable preference shares of £39,900 (2014 - £39,900) to the Trustees of Ashbridge 1 Limited SIPP, a scheme in which L Hampson and L C Hampson are both trustees and beneficiaries.