

Company Registration No. 04406319

Aaron Holdings Limited

Annual Report and Financial Statements

For the year ended 31 March 2015

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Aaron Holdings Limited

Annual report and financial statements for the year ended 31 March 2015

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Aaron Holdings Limited

Annual report and financial statements for the year ended 31 March 2015

Officers and professional advisers

Directors

D Collinge
E Craig

Registered Office

Ferham House
Kimberworth Road
Masbrough
Rotherham
South Yorkshire
S61 1AJ

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds
UK

Aaron Holdings Limited

Strategic report

Principal activity

The principal activity of the company during the year is that of an intermediate holding company. The main activities of the company's subsidiary undertakings during the year were those of nursing home operators and project managers supervising the build of new homes for the fellow group companies to operate.

Review of the business

During the year ending 31 March 2015 the Company continued to be a holding company with subsidiaries.

Key performance indicators

As a holding company other operating charges constitute the only cost for the business.

Principal risks and uncertainties

Holding investments with subsidiary companies is inherent with risk of change in valuation. This is mitigated away by using estimates of investments' values in use. The values in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. The carrying amount of investments in subsidiaries at the balance sheet date had no impairment loss recognised in 2014 or 2015.

As part of a profitable and cash generative Group, the Company either supports or is supported by the other members of the Group depending on the Company's needs at the time. The financial statements show net current liabilities of £900,000 (2014: £900,000) and net assets of £100,004 (2014: £100,004) for the Company. The directors have prepared forecasts and projections, taking account of reasonably possible changes in trading performance, which show that the Company is expected to have a sufficient level of financial resources available through current facilities to continue in operational existence for the foreseeable future. The directors believe that the Company is well placed to manage its business risks successfully despite the economic conditions and as such after making enquiries in respect of the factors above they continue to prepare the financial statements on a going concern basis.

Future developments

It is intended that the company continues as a holding company. The directors of the company will monitor the underlying investment values of the holding company subsidiaries as described above.

Approved by the Board of Directors and signed on behalf of the Board



D Collinge

Director

31 July 2015

Aaron Holdings Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2015.

Results and dividends

The result for the year amounted to £nil (2014: £5,431,188 profit). No dividends were declared or paid during the year (2014: £5,431,195).

Going concern

The Company meets its day to day working capital requirements through existing cash reserves. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company is expected to have a sufficient level of financial resources available through current facilities to continue in operational existence for the foreseeable future. The directors believe that the Company is well placed to manage its business risks successfully despite the economic conditions and as such after making enquiries in respect of the factors above they continue to prepare the financial statements on a going concern basis.

Directors

The directors who served the company during the year and up until date of signing were as follows:

D Collinge
E Craig

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board



D Collinge
Director

31 July 2015

Aaron Holdings Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report including 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 Financial Reporting Standard 101 Reduced Disclosure Framework. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 Reduced Disclosure Framework has been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

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.

Independent auditor's report to the members of Aaron Holdings Limited

We have audited the financial statements of Aaron Holdings Limited for the year ended 31 March 2015 which comprise the profit and loss account, the statement of changes in equity, the balance sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard 101 Reduced Disclosure Framework.

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 Ethical Standards for Auditors.

Scope of the audit of 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.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its result for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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 Aaron Holdings Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



David Johnson B.A. F.C.A (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

Leeds, United Kingdom

31 July 2015

Aaron Holdings Limited

Profit and loss account For the year ended 31 March 2015

	Notes	2015 £	2014 £
Income from share in group undertakings		-	5,431,188
		-	-
Result / profit on ordinary activities before taxation	3	-	5,431,188
Taxation	4	-	-
Result / profit and total comprehensive income for the financial year	10,11	-	5,431,188

The result / profit for each year arises from the company's continuing activities.

Aaron Holdings Limited

Statement of changes in equity For the year ended 31 March 2015

	Notes	Called-up share capital £	Profit & loss account £	Total £
Balance as at 1 April 2013		100,000	11	100,011
Profit for the year	11	-	5,431,188	5,431,188
Dividends	5,11	-	(5,431,195)	(5,431,195)
Balance as at 31 March 2014		100,000	4	100,004
Result for the year	10,11	-	-	-
Balance as at 31 March 2015		100,000	4	100,004

Aaron Holdings Limited

Balance sheet As at 31 March 2015

	Notes	2015 £	2014 £
Fixed assets			
Investments	6	1,000,004	1,000,004
Current assets			
Debtors	7	24,736,795	29,154,095
Creditors: Amounts falling due within one year	8	(25,636,795)	(30,054,095)
Net current liabilities		<u>(900,000)</u>	<u>(900,000)</u>
Net assets		<u>100,004</u>	<u>100,004</u>
Capital and reserves			
Called-up share capital	9	100,000	100,000
Profit and loss account	10	<u>4</u>	<u>4</u>
Shareholder's funds	11	<u>100,004</u>	<u>100,004</u>

The financial statements of Aaron Holdings Limited (registered number 04406319) were approved by the Board of Directors and authorised for issue on 31 July 2015.

Signed on behalf of the Board of Directors



D Collinge
Director

Aaron Holdings Limited

Notes to the financial statements For the year ended 31 March 2015

1. Significant accounting policies.

Aaron Holdings Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out on page 2.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates.

Basis of accounting

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. FRS101 was early adopted in the accounting period ending 31 March 2014.

These financial statements are separate financial statements. As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, and presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions. Where relevant, equivalent disclosures are given in the group financial statements of Falcon Capital Investments Limited. The group financial statements of Falcon Capital Investments Limited are available to the public and can be obtained as set out in note 14.

The financial statements have been prepared under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies adopted are set out below.

Going concern

The Company meets its day to day working capital requirements through existing cash reserves. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company is expected to have a sufficient level of financial resources available through current facilities to continue in operational existence for the foreseeable future. The directors believe that the Company is well placed to manage its business risks successfully despite the economic conditions and as such after making enquiries in respect of the factors above they continue to prepare the financial statements on a going concern basis.

Investments in subsidiaries

Investments in subsidiaries are stated in the balance sheet at the nominal value of shares issued, or cash paid to acquire the investment, less any provision considered necessary by the directors for diminution in value.

Aaron Holdings Limited

Notes to the financial statements (continued) For the year ended 31 March 2015

1. Significant accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Aaron Holdings Limited

Notes to the financial statements (continued) For the year ended 31 March 2015

1. Significant accounting policies (continued)

Financial Instruments (continued)

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements and key sources of estimation uncertainty in applying the company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of investments in subsidiaries

Determining whether the company's investments in subsidiaries have been impaired requires estimations of the investments' values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. The carrying amount of investments in subsidiaries at the balance sheet date was £1,000,004 with no impairment loss recognised in 2014 or 2015.

Aaron Holdings Limited

Notes to the financial statements (continued) For the year ended 31 March 2015

2. Income from share in group undertakings

	2015 £	2014 £
Dividend from group undertakings	-	5,431,188

3. Result / profit on ordinary activities before tax

Audit fees are borne by fellow subsidiary companies. (2014: Same)

Directors' remuneration is borne by fellow subsidiary companies. (2014: £nil)

4. Taxation

	2015 £	2014 £
Analysis of charge in the year		
Current tax on result / profit for the year	-	-
Total current tax	-	-
Tax on result / profit on ordinary activities	-	-
Factors affecting the tax charge:		
Result / profit on ordinary activities before tax	-	5,431,188
Result / profit on ordinary activities at the standard rate of corporation tax in the UK of 21% (2014: 23%)	-	1,249,173
Group loss relief	15,417	16,650
Adjustments for transfer pricing	(15,417)	(16,650)
Income not taxable	-	(1,249,173)
Total tax charge for the period	-	-

5. Dividends

	2015 £	2014 £
Ordinary		
Interim paid – £nil (2014: £54) per share	-	5,431,195

Aaron Holdings Limited

Notes to the financial statements (continued) For the year ended 31 March 2015

6. Fixed assets

	Investments in subsidiary undertakings £
Cost	
At 1 April 2014 and 31 March 2015	1,000,004
Net book value	
At 31 March 2015	1,000,004
At 31 March 2014	1,000,004

The company directly or indirectly owns 100% of the issued ordinary share capital of the following companies. All are indirectly held apart from Exemplar Limited and BCD Holdings Limited. All companies are incorporated in England and Wales and have accounting reference periods ending 31 March 2015.

Exemplar Limited	Kavanagh Health Care Limited*
BCD Holdings Limited	Lonnen Health Care Limited*
EHC Services Limited*	Meadowcroft Health Care Limited*
Alpine Health Care Limited*	Parkside Health Care Limited*
Athorpe Health Care Limited*	Pathways Health Care Limited*
Cherry Health Care Limited*	Thames Health Care Limited*
The Glades Health Care Limited*	The Lodge Health Care Limited*
Longley Health Care Limited*	Exemplar Health Care Limited*
Fairburn Chase Health Care Limited*	Corazon Capital Limited*
Exemplar Health Care Partnerships Limited*	Corazon Estates Limited*
Loxley Health Care Limited*	Corazon Health Care Investments Limited*
Willowbeck Health Care Limited*	Gainsborough Health Care Limited*
Exemplar Homes Limited*	Immingham Health Care Limited*
Neville Health Care Limited*	Swallownest Health Care Limited*
Bridgewood Health Care Limited*	Benvane Limited*
Dearnevale Health Care Limited*	Benvane Investments Limited*
Fairburn Mews Health Care Limited*	Delano Investments Limited*
Fairburn Vale Health Care Limited*	Delano Sutton 2007 Limited*
Scotia Health Care Limited*	Delano Tipton 2007 Limited*
Exemplar Business Services Limited*	Delano Leeds 2009 Limited*
Exemplar Health Care Management Limited*	Delano Liverpool 2007 Limited*
Exemplar Training Limited*	Cairnwell Capital Limited*
Exemplar Holdings Limited*	Cairnwell Estates Limited*
Exemplar Housing Limited*	Delano Birmingham 2009 Limited*
Exemplar Operations Limited*	Delano Doncaster 2010 Limited*
Church Walk Health Care Limited*	Ravensdale Health Care Limited*
Eastlands Health Care*	Otterburn Health Care Limited*
Fairwinds Health Care Limited*	Quarryfields Health Care Limited*
Greenside Health Care Limited*	Yarningdale Health Care Limited*
Havenmere Health Care Limited*	

*indirectly held

The investments in subsidiaries are all stated at cost less provision for impairment.

Aaron Holdings Limited

Notes to the financial statements (continued) For the year ended 31 March 2015

7. Debtors

	2015 £	2014 £
Amounts owed by group undertakings	24,736,795	29,154,095

8. Creditors: amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertakings	25,636,795	30,054,095

9. Called-up share capital

	2015 £	2014 £
Authorised		
Ordinary shares of £1 each	100,000,000	100,000,000
8% redeemable preference shares of £1 each	10,000,000	10,000,000
Allotted, called-up and fully paid		
100,000 ordinary shares of £1 each	100,000	100,000

The company has one class of ordinary shares which carry no right to fixed income. All shares are held at cost.

10. Profit and loss account

	£
At 1 April 2014 and 31 March 2015	4

11. Reconciliation of movements in shareholder's funds

	2015 £	2014 £
Result / profit for the financial year	-	5,431,188
Equity dividends paid	-	(5,431,195)
Net movement in / (reduction in) shareholder's funds	-	(7)
Opening shareholder's funds	100,004	100,011
Closing shareholder's funds	100,004	100,004

12. Related party transactions

Trading transactions

As permitted by the exemption allowed under FRS 101 Paragraph 8, transactions with fellow group companies are not disclosed. There were no transactions with directors in the current or previous years.

Aaron Holdings Limited

Notes to the financial statements (continued) **For the year ended 31 March 2015**

13. Ultimate parent company

The company is a wholly owned subsidiary of Goldcrest Capital Limited, which itself is a wholly owned subsidiary of Falcon Capital Investments Limited. Both of these companies are incorporated in England and Wales.

Consolidated financial statements are prepared by the group headed by Falcon Capital Investments Limited and copies can be obtained from Ferham House, Kimberworth Road, Masbrough, Rotherham, S61 1AJ.

The directors do not consider that the company has an ultimate controlling party, in view of the disposition of shares in Falcon Capital Investments Limited.