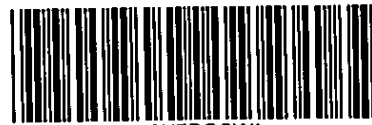


Company Registration No 04832515 (England and Wales)

ABBHEY CARE COMPLEX LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2013

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ABBHEY CARE COMPLEX LIMITED

COMPANY INFORMATION

Directors	Mr J M Patel Mrs D J Patel
Secretary	Mrs D J Patel
Company number	04832515
Registered office	9 Sparelease Hill Loughton Essex IG10 1BS
Auditors	Alwyns LLP Crown House 151 High Road Loughton Essex IG10 4LG

ABBHEY CARE COMPLEX LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 13

ABBEY CARE COMPLEX LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2013

The directors present their report and financial statements for the year ended 30 April 2013

Principal activities and review of the business

The principal activity of the company continued to be that of the running of a care home

Turnover decreased from last year by 9%. This was primarily as a result of premises alterations in the earlier months of the year which reduced bed saleability. Adjusting for the gain on freehold property revaluation in 2012, profitability in the current year is in line with the previous two years.

There are not considered to be any major risks or uncertainties which could have an impact on the company's long-term performance. The company forms part of the Abbey Total Care Group and has an appropriate risk management structure in place which is designed to identify, manage and mitigate business risk. Continuous risk assessment and evaluation forms are important aspects of the company's internal control system.

The care market is fairly steady, but the company closely monitors market trends and takes action to address issues that may affect its trading. Active participation with the service users ensures new ways of meeting their changing needs. The company also maintains tight control over its underlying cost base in order to be able to continue to offer competitive pricing.

The company's operations are regulated by the Care Quality Commission. It is also subject to the laws governing business in general, including health and safety, labour and employment practices and other matters.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 May 2012:

Mr J M Patel

Mrs D J Patel

Financial instruments

The Abbey Total Care Group, of which the company is a member, operates a centralised treasury function which is responsible for managing the liquidity, interest and credit risks associated with the group's activities.

Treasury operations and financial instruments

The group's principal financial instruments include bank overdrafts and loans, the main purpose of which is to finance the group's operations. In addition, the group has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from operations.

Liquidity risk

The group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the group has sufficient liquid resources to meet the operating needs of the business.

Interest rate risk

The group is exposed to fair value interest rate risk on its borrowings and cash flow interest rate risk on bank overdrafts and loans. The group has an interest rate cap on part of its borrowing to mitigate its exposure to excessive interest rate increases.

ABBEY CARE COMPLEX LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

Credit risk

Investments of cash surpluses and borrowings are made through banks which must fulfil credit rating criteria approved by the Board

All service users enter into formal agreements with the group which stipulate payment terms. The group regularly review trade debtors and pursue any outstanding debts on a timely basis. Where necessary, provisions are made for doubtful debts.

Auditors

The auditors, Alwyns LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

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.

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



Mr J M Patel

Director

17 September 2013

ABBEY CARE COMPLEX LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ABBEY CARE COMPLEX LIMITED

We have audited the financial statements of Abbey Care Complex Limited for the year ended 30 April 2013 set out on pages 5 to 13. 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 set out on page 2, 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 Directors' Report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2013 and of its profit 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.

ABBEY CARE COMPLEX LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ABBEY CARE COMPLEX 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

Alwyns LLP

David Stanley (Senior Statutory Auditor)
for and on behalf of Alwyns LLP

19 September 2013

Chartered Accountants
Statutory Auditor

Crown House
151 High Road
Loughton
Essex
IG10 4LG

ABBEY CARE COMPLEX LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2013

	Notes	2013 £	2012 £
Turnover	2	1,205,725	1,316,824
Cost of sales		(806,496)	(731,102)
Gross profit		399,229	585,722
Administrative expenses		(223,250)	436,762
Other operating income		4,620	4,235
Operating profit	3	180,599	1,026,719
Interest payable and similar charges	4	(63,936)	(79,207)
Profit on ordinary activities before taxation		116,663	947,512
Tax on profit on ordinary activities	5	(9,841)	(29,774)
Profit for the year	10	106,822	917,738

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

ABBHEY CARE COMPLEX LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 30 APRIL 2013

	Notes	2013 £	2012 £
Profit for the financial year		106,822	917,738
Unrealised surplus on revaluation of properties		-	693,042
Total recognised gains and losses relating to the year		<u>106,822</u>	<u>1,610,780</u>


ABBHEY CARE COMPLEX LIMITED

BALANCE SHEET

AS AT 30 APRIL 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	6		4,823,720		4,860,000
Current assets					
Debtors	7	99,086		52,598	
Cash at bank and in hand		75,338		15,359	
		<u>174,424</u>		<u>67,957</u>	
Creditors: amounts falling due within one year	8	<u>(4,678,516)</u>		<u>(4,715,151)</u>	
Net current liabilities			(4,504,092)		(4,647,194)
Total assets less current liabilities			<u>319,628</u>		<u>212,806</u>
Capital and reserves					
Called up share capital	9		1		1
Revaluation reserve	10		693,042		693,042
Profit and loss account	10		<u>(373,415)</u>		<u>(480,237)</u>
Shareholders' funds	11		<u>319,628</u>		<u>212,806</u>

Approved by the Board and authorised for issue on 17 September 2013


 Mr J M Patel
 Director

Company Registration No 04832515

ABBEY CARE COMPLEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2013

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable accounting standards

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

The company is dependent upon the support of its parent undertaking. The directors are confident that this support will continue and therefore the financial statements have been prepared on a going concern basis

The company has taken advantage of the exemption in Financial Reporting Standard Number 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

1.2 Turnover

Turnover represents amounts receivable for services provided

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation. Freehold land and buildings are stated at valuation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Fixtures, fittings & equipment	25% reducing balance
Equipment (short life)	Over a period of 3 years

Contrary to the accounting requirement of the Companies Act 2006, depreciation is not provided in respect of the company's freehold buildings. The directors believe that the company fully meet the criteria laid down by the Financial Reporting Standard Number 15, and are of the opinion that the ongoing maintenance work undertaken keeps properties to a high standard of repair. The directors also believe the residual value of these properties is not materially less than the value at which the properties are shown in the financial statements. For these reasons, any provision for depreciation would be immaterial in the context of the company's financial statements, and such a policy would prevent the financial statements from showing a true and fair view, as required by section 395(1) of the Companies Act 2006

The freehold land and buildings are revalued professionally at least every five years and are reviewed by the directors annually

1.4 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

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

ABBHEY CARE COMPLEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

3	Operating profit	2013	2012
		£	£
	Operating profit is stated after charging/(crediting)		
	Depreciation of tangible assets	57,127	179,273
	Auditors' remuneration	693	660
	Directors' remuneration and other benefits	-	-
	Gain on freehold property revaluation	-	(786,544)
		<u> </u>	<u> </u>
	No director accrued pension benefits from the company		
4	Interest payable	2013	2012
		£	£
	On group bank loans and overdrafts	63,936	79,207
		<u> </u>	<u> </u>
5	Taxation	2013	2012
		£	£
	Domestic current year tax		
	U K corporation tax	9,841	29,774
		<u> </u>	<u> </u>
	Total current tax	9,841	29,774
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	116,663	947,512
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.92% (2012 - 25.84%)	27,906	244,837
		<u> </u>	<u> </u>
	Effects of		
	Depreciation add back	13,665	46,317
	Capital allowances	(22,043)	(31,834)
	Freehold property revaluation	-	(203,212)
	Group relief	(8,988)	(26,295)
	Other tax adjustments	(699)	(39)
		<u> </u>	<u> </u>
		(18,065)	(215,063)
		<u> </u>	<u> </u>
	Current tax charge for the year	9,841	29,774
		<u> </u>	<u> </u>

ABBAY CARE COMPLEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

6 Tangible fixed assets

	Freehold land and buildings £	Fixtures, fittings & equipment £	Total £
Cost or valuation			
At 1 May 2012	4,645,983	891,142	5,537,125
Additions	7,288	13,559	20,847
At 30 April 2013	4,653,271	904,701	5,557,972
Depreciation			
At 1 May 2012	-	677,125	677,125
Charge for the year	-	57,127	57,127
At 30 April 2013	-	734,252	734,252
Net book value			
At 30 April 2013	4,653,271	170,449	4,823,720
At 30 April 2012	4,645,983	214,017	4,860,000

Historical cost for the land and buildings included at valuation

	£
At 1 May 2012	3,952,941
Additions	7,288
At 30 April 2013	3,960,229

The freehold land and buildings were valued in March 2012 by Christie Owen & Davies Limited, a firm of independent Chartered Surveyors, on the basis of 'existing use value'. The directors have used this plus additional costs since this date as a basis for the valuation at the balance sheet date.

The potential tax liability on the disposal of the freehold land and buildings at the balance sheet value would be £Nil.

ABBEY CARE COMPLEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

7 Debtors	2013	2012
	£	£
Trade debtors	74,714	38,377
Other debtors	512	262
Prepayments and accrued income	23,860	13,959
	<u>99,086</u>	<u>52,598</u>
8 Creditors: amounts falling due within one year	2013	2012
	£	£
Trade creditors	34,850	26,893
Amounts owed to group undertakings	4,556,103	4,592,745
Corporation tax	9,841	29,774
Other taxes and social security costs	8,441	11,234
Other creditors	16,911	6,847
Accruals and deferred income	52,370	47,658
	<u>4,678,516</u>	<u>4,715,151</u>
9 Share capital	2013	2012
	£	£
Allotted, called up and fully paid		
1 Ordinary of £1 each	1	1
	<u>1</u>	<u>1</u>
10 Statement of movements on reserves	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 May 2012	693,042	(480,237)
Profit for the year	-	106,822
Balance at 30 April 2013	<u>693,042</u>	<u>(373,415)</u>

ABBHEY CARE COMPLEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

11 Reconciliation of movements in shareholders' funds	2013 £	2012 £
Profit for the financial year	106,822	917,738
Other recognised gains and losses	-	693,042
Net addition to shareholders' funds	106,822	1,610,780
Opening shareholders' funds	212,806	(1,397,974)
Closing shareholders' funds	319,628	212,806

12 Contingent liabilities

At the balance sheet date there were contingent liabilities in respect of a debenture and unlimited intercompany guarantees to secure the group's bank loan and overdraft facilities of £25,475,516 by first legal charge over the assets of the company

13 Employees

Number of employees

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

	2013 Number	2012 Number
Resident welfare	46	49
Administration	3	2
	49	51

Employment costs

	2013 £	2012 £
Wages and salaries	705,923	631,642
Social security costs	38,474	40,761
	744,397	672,403

14 Parent company and controlling party

The immediate and ultimate parent company in both periods was Abbey Total Care Group Ltd, which owns 100% of the share capital

The controlling party in both periods was Mr J M Patel, by virtue of his 100% shareholding in the parent company

ABBHEY CARE COMPLEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

15 Related party relationships and transactions

During the year Design & Construct (London) Ltd charged property development costs of £7,288 (2012 - £10,378), repairs and maintenance costs of £72,299 (2012 - £101,076) and fixtures and fittings costs of £7,601 (2012 - £8,902)

At the year end £13,633 (2012 - £10,045) was owed to Design & Construct (London) Ltd This company is under the control of the director, Mr J M Patel

Included within amounts owed to group undertakings is £330,585 (2012 - £327,385) owed to Planshore Ltd and £49,942 (2012 - £49,942) owed to Ryedowns Ltd

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies