

Company Registration No. 05502514 (England and Wales)

**ABBEEY RAVESCROFT PARK LIMITED**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2015**

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# ABBEY RAVENSCROFT PARK LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr J M Patel Mrs D J Patel
<b>Secretary</b>	Mrs D J Patel
<b>Company number</b>	05502514
<b>Registered office</b>	9 Sparelease Hill Loughton Essex IG10 1BS
<b>Auditors</b>	Alwyns LLP Crown House 151 High Road Loughton Essex IG10 4LG

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# ABBEY RAVENSCROFT PARK LIMITED

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# **ABBAY RAVENSCROFT PARK LIMITED**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 30 APRIL 2015**

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The directors present the Annual Report for the year ended 30 April 2015.

### **Review of the business**

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

Turnover increased by 7.9% from last year.

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.

We believe that strong, sustainable revenue and profit growth will help us reinvest our profit to better fulfil our purpose of long-term economic value. It is our aim to ensure customers enjoy better health and wellbeing by providing access to advice and care that's affordable and right for them. To this end, the directors would like to thank all people involved for their hard work and commitment, delivering another successful year for the company. The company has already signed up to the Social Care Commitment pledge to improve the quality of its workforce.

Customer care is always at the heart of what we do. Our care homes are regulated by the Care Quality Commission (CQC), and the company is fully compliant with health and safety, labour, and employment laws. The company's compliance performance compares favourably with other providers of a similar scale.

A full review of the business activities of the group is included in the group consolidated financial statements.

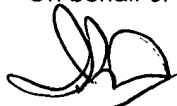
### **Principal risks**

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. Risk assessment and evaluation is carried out continuously, and the company is not aware of any such matters that may have a material impact on its financial position.

Given the current challenging commercial and regulatory climate, the achievements of this year are particularly significant. The cap on care costs due to come into force in April 2016, has been delayed until 2020. In spite of such uncertainties in the sector, the company is confident that it is well placed to respond to the challenges that this may present. Increasing care needs of the frail elderly are placing higher demands on state funding, something that is being reflected each year in the limited uplift of fees paid by the local authorities and the NHS. Added to this some local authorities and the NHS bodies have now lengthened payment periods, making an impact on the company's cash flows.

Embracing all challenges, we are confident of maintaining the current level of quality care through cost effective solutions to staffing, reasonable fee increases, and greater efficiencies internally to mitigate pressure on income. Value for money has been a key focus for the year.

On behalf of the board



Mr J M Patel

**Director**

28 October 2015

# **ABBAY RAVENSCROFT PARK LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 30 APRIL 2015**

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### **Results and dividends**

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

### **Directors**

The following directors have held office since 1 May 2014:

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.

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.

# ABBEY RAVENSCROFT PARK LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2015**

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### **Statement of directors' responsibilities**

The directors are responsible for preparing the Director's 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 the 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**

28 October 2015

# **ABBEY RAVENSCROFT PARK LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ABBEY RAVENSCROFT PARK LIMITED**

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We have audited the financial statements of Abbey Ravenscroft Park Limited for the year ended 30 April 2015 set out on pages 6 to 15. 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 3, 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.

#### **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 2015 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# ABBEY RAVENSCROFT PARK LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF ABBEY RAVENSCROFT PARK LIMITED

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#### 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

28 October 2015

Chartered Accountants  
Statutory Auditor

Crown House  
151 High Road  
Loughton  
Essex  
IG10 4LG



# ABBEY RAVENSCROFT PARK LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 30 APRIL 2015**

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	Notes	2015 £	2014 £
Turnover	2	1,948,444	1,805,852
Cost of sales		(1,271,902)	(1,100,936)
<b>Gross profit</b>		676,542	704,916
Administrative expenses		(427,731)	(425,555)
<b>Operating profit</b>	3	248,811	279,361
Other interest receivable and similar income	4	-	3
Interest payable and similar charges	5	(95,078)	(93,826)
<b>Profit on ordinary activities before taxation</b>		153,733	185,538
Tax on profit on ordinary activities	6	(35,636)	(26,347)
<b>Profit for the year</b>	12	118,097	159,191

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

# ABBNEY RAVENSCROFT PARK LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 APRIL 2015

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	2015 £	2014 £
Profit for the financial year	118,097	159,191
Unrealised surplus on revaluation of properties	596,996	-
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	715,093	159,191
	<hr/>	<hr/>

# **ABBEY RAVENSCROFT PARK LIMITED**

## **BALANCE SHEET**

**AS AT 30 APRIL 2015**

	Notes	2015 £	£	2014 £	£
<b>Fixed assets</b>					
Tangible assets	7		7,460,000		6,691,885
<b>Current assets</b>					
Debtors	8	223,316		87,302	
Cash at bank and in hand		10,509		28,159	
		<u>233,825</u>		<u>115,461</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(6,198,331)</u>		<u>(5,938,482)</u>	
<b>Net current liabilities</b>			(5,964,506)		(5,823,021)
<b>Total assets less current liabilities</b>			1,495,494		868,864
<b>Provisions for liabilities</b>	10		(31,537)		-
			<u>1,463,957</u>		<u>868,864</u>
<b>Capital and reserves</b>					
Called up share capital	11		1		1
Revaluation reserve	12		1,457,473		860,477
Profit and loss account	12		6,483		8,386
<b>Shareholders' funds</b>	13		<u>1,463,957</u>		<u>868,864</u>

Approved by the Board and authorised for issue on 28 October 2015



Mr J M Patel  
Director

Company Registration No. 05502514

# ABBEY RAVENSCROFT PARK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 APRIL 2015**

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### **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:

Equipment (short life)	over a period of 3 years
Fixtures, fittings & equipment	25% reducing balance
Integral features	10% reducing balance

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 meets the criteria laid down by 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 that the residual value of the 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, with an interim valuation in the third year of the cycle, and are reviewed by the directors annually.

#### **1.4 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period to which they relate.

#### **1.5 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.

# ABBEY RAVENSCROFT PARK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2015**

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### **2 Turnover**

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

<b>3 Operating profit</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging:		
Depreciation of tangible assets	84,516	25,795
Auditors' remuneration	660	660
Directors' remuneration and other benefits	-	-
	<u>          </u>	<u>          </u>

No director accrued pension benefits from the company.

<b>4 Investment income</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Other interest	-	3
	<u>          </u>	<u>          </u>

<b>5 Interest payable</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
On group bank loans and overdrafts	95,078	93,826
	<u>          </u>	<u>          </u>

# **ABBAY RAVENSCROFT PARK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2015**

<b>6</b>	<b>Taxation</b>	<b>2015 £</b>	<b>2014 £</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	4,099	26,347
	<b>Total current tax</b>	4,099	26,347
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	31,537	-
		35,636	26,347
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	153,733	185,538
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 22.84%)	30,747	42,377
	Effects of:		
	Depreciation add back	16,903	5,892
	Capital allowances	(43,551)	(20,162)
	Group relief	-	(1,755)
	Other tax adjustments	-	(5)
		(26,648)	(16,030)
	<b>Current tax charge for the year</b>	4,099	26,347

# **ABBEY RAVENSCROFT PARK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2015**

### **7 Tangible fixed assets**

	Freehold land and buildings £	Fixtures, fittings & equipment £	Total  £
<b>Cost or valuation</b>			
At 1 May 2014	6,508,823	558,848	7,067,671
Additions	40,317	215,318	255,635
Revaluation	596,996	-	596,996
At 30 April 2015	7,146,136	774,166	7,920,302
<b>Depreciation</b>			
At 1 May 2014	-	375,786	375,786
Charge for the year	-	84,516	84,516
At 30 April 2015	-	460,302	460,302
<b>Net book value</b>			
At 30 April 2015	7,146,136	313,864	7,460,000
At 30 April 2014	6,508,823	183,062	6,691,885

In October 2015 Christie Owen & Davies Limited, a firm of independent Chartered Surveyors, performed an interim valuation of the freehold land and buildings on the basis of 'existing use value'. The directors have used this as a basis for the valuation at the balance sheet date.

#### **Historical cost for the land and buildings included at valuation**

	£
At 1 May 2014	5,648,345
Additions	40,317
At 30 April 2015	5,688,662

The potential tax liability on the disposal of the freehold land and buildings at the balance sheet value would be circa £90,000.

# **ABBAY RAVENSCROFT PARK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2015**

<b>8 Debtors</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade debtors	200,029	71,817
Amounts owed by group undertakings	4,628	4,628
Other debtors	3,767	3,692
Prepayments and accrued income	14,892	7,165
	<u>223,316</u>	<u>87,302</u>

<b>9 Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade creditors	26,336	10,598
Amounts owed to group undertakings	6,038,540	5,754,402
Corporation tax	4,099	26,347
Other taxes and social security costs	21,583	13,624
Other creditors	15,025	15,335
Accruals and deferred income	92,748	118,176
	<u>6,198,331</u>	<u>5,938,482</u>

<b>10 Provisions for liabilities</b>	<b>Deferred tax liability</b>
	<b>£</b>
Profit and loss account	<u>31,537</u>
Balance at 30 April 2015	<u>31,537</u>

**The deferred tax liability is made up as follows:**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<u>31,537</u>	<u>-</u>



# **ABBEY RAVENSCROFT PARK LIMITED**

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

<b>11</b>	<b>Share capital</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	<b>Allotted, called up and fully paid</b>		
	1 Ordinary shares of £1 each	1	1

<b>12</b>	<b>Statement of movements on reserves</b>	<b>Revaluation reserve</b>	<b>Profit and loss account</b>
		<b>£</b>	<b>£</b>
	Balance at 1 May 2014	860,477	8,386
	Profit for the year	-	118,097
	Dividends paid	-	(120,000)
	Revaluation during the year	596,996	-
	Balance at 30 April 2015	1,457,473	6,483

<b>13</b>	<b>Reconciliation of movements in Shareholders' funds</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Profit for the financial year	118,097	159,191
	Dividends	(120,000)	(160,000)
		(1,903)	(809)
	Other recognised gains and losses	596,996	-
	Net addition to/(depletion in) shareholders' funds	595,093	(809)
	Opening Shareholders' funds	868,864	869,673
	Closing Shareholders' funds	1,463,957	868,864

## **14** **Contingent liabilities**

At the balance sheet date there were contingent liabilities in respect of a debenture and unlimited inter company guarantees to secure the group's bank loan and overdraft facilities of £24,084,935 by first legal charge over the assets of the company.

# ABBAY RAVENSCROFT PARK LIMITED

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

### 15 Employees

#### Number of employees

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

	2015 Number	2014 Number
Resident welfare	70	63
Administration	4	4
	<u>74</u>	<u>67</u>

#### Employment costs

	2015 £	2014 £
Wages and salaries	1,108,516	965,975
Social security costs	63,450	50,561
Other pension costs	4,265	-
	<u>1,176,231</u>	<u>1,016,536</u>

Other pension costs represent contributions to defined contribution pension schemes.

### 16 Parent company and controlling party

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

The ultimate controlling party in both years is Mr J M Patel, by virtue of his 100% shareholding in the parent company.

### 17 Related party relationships and transactions

During the year Design & Construct (London) Ltd charged property development costs of £40,317 (2014 - £108,745), repairs and maintenance costs of £199,097 (2014 - £279,367) and fixtures and fittings of £209,006 (2014 - £59,453).

At the year end the company owed Design & Construct (London) Ltd £Nil (2014 - £6,635). Design & Construct (London) Ltd is under the control of the director, Mr J M Patel.

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