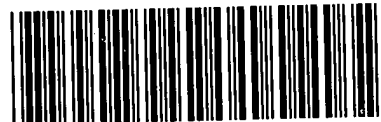


BRAMLEY (2007) LIMITED

Annual Report and Financial Statements

30 September 2014

TUESDAY



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REPORT AND FINANCIAL STATEMENTS 2014

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

E J Coyle (resigned 26 January 2015)

G K Sizer

P H Scott

REGISTERED OFFICE

Park Hall

Middleton St George Hospital

Darlington

County Durham

DL2 1TS

BANKER

Ulster Bank Limited

11-16 Donegall Square East

Belfast

BT7 5UB

SOLICITOR

DLA Piper UK LLP

Princes Exchange

Princes Square

Leeds

LS1 4BY

AUDITOR

Deloitte LLP

Chartered Accountants and Statutory Auditor

Newcastle upon Tyne

NE1 2HF

United Kingdom

DIRECTORS' REPORT
for the year ended 30 September 2014

The directors present their annual report, together with the financial statements and independent auditor's report for the year ended 30 September 2014.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

ACTIVITIES

The principal activity of the company is to operate as a holding company for its sole wholly owned subsidiary Bramley Court (Care Homes) Limited. The company did not trade during the year.

DIRECTORS

The directors who served throughout the period were as follows:

E J Coyle (resigned 26 January 2015)
G K Sizer
P H Scott

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies note, on page 8, of the financial statements.

AUDITOR

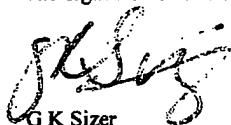
Each of the persons who are directors of the company at the date of this report confirms that;

- 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 they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of this information.

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

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

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



G K Sizer
Director

30 June 2015

**DIRECTORS' RESPONSIBILITIES STATEMENT
for the year ended 30 September 2014**

The directors are responsible for preparing the Annual 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAMLEY (2007) LIMITED

We have audited the financial statements of Bramley (2007) Limited for the year ended 30 September 2014 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 form 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 September 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAMLEY (2007) 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.

Debitte up

David Johnson BA FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Newcastle Upon Tyne, United Kingdom
30 June 2015

**PROFIT AND LOSS ACCOUNT
for the year ended 30 September 2014**

	Note	2014 £	2013 £
Turnover	1	-	-
Net operating expenses		-	(810,722)
Operating loss		-	(810,722)
Interest payable and similar charges		-	-
Loss on ordinary activities before taxation	3	-	(810,722)
Tax on loss on ordinary activities	4	-	-
Loss on ordinary activities after taxation		-	(810,722)

All amounts above relate to continuing operations of the company.

The notes on pages 8 – 11 form an integral part of these financial statements.

The company has no recognised gains or losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

BRAMLEY (2007) LIMITED**BALANCE SHEET****For the year ended 30 September 2014**

	Note	2014 £	2013 £
FIXED ASSETS			
Investment in subsidiaries	6	1,182,370	1,182,370
		<u>1,182,370</u>	<u>1,182,370</u>
CURRENT ASSETS			
Debtors – due after more than one year	7	2,466,029	2,466,029
CREDITORS: amounts falling due within one year	8	(4,150)	(4,150)
NET CURRENT ASSETS		<u>2,461,879</u>	<u>2,461,879</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,644,249	3,644,249
CREDITORS: amounts falling due after more than one year	9	(5,400,000)	(5,400,000)
NET LIABILITIES		<u>(1,755,751)</u>	<u>(1,755,751)</u>
CAPITAL AND RESERVES			
Called up share capital	10	50,001	50,001
Profit and loss account	11	(1,805,752)	(1,805,752)
SHAREHOLDERS' DEFICIT	12	<u>(1,755,751)</u>	<u>(1,755,751)</u>

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

The notes on pages 8 – 12 form an integral part of these financial statements.

The financial statements of Bramley (2007) Limited registered number 05624707 were approved by the Board of Directors on 30 June 2015.

Signed on behalf of the Board of Directors



G K Sizer

Director

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2014

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted by the directors are described below, and have been applied consistently for the current and preceding financial year.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention.

Going concern

As disclosed in note 12 at the balance sheet date the company was party to an omnibus guarantee in relation to the group's external bank borrowings and therefore it is necessary to also consider the financial position of the group. The group borrowings were repayable on demand

In January 2015 the group disposed of Icen House Care home and the net sales consideration of £4.1m was used to repay group borrowings. In March 2015 the residual borrowings were successfully refinanced under a new £4 million term loan facility expiring in April 2018.

The group funds ongoing working capital requirements and interest payments through its cash balance and cash generated from trading.

The group and company's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the group and company should be able to operate comfortably within the level of the new term loan facility.

On this basis the directors have a reasonable expectation that the group and company will be able to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover represents amounts receivable and is derived from the company's principal activity. All turnover originates in the United Kingdom.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax liabilities are not discounted.

Cash flow statement

The company is not presenting a cash flow statement in accordance with the exemption in FRS 1 'Cash Flow Statements'. The company qualifies as a small company in companies legislation.

Investments

Fixed asset investments are shown at cost less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 September 2014

2. EMPLOYEES

The average number of employees (including directors) were:

	2014 No.	2013 No.
Directors	3	3

No emoluments were received or are receivable by any director in respect of services during the current or preceding year.

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2014 £	2013 £
Loss on ordinary activities before taxation is shown after charging:		
- amortisation of goodwill	-	810,722

Audit fees of £2,000 (2013: £2,000) have been paid by another group entity. Fees payable to the Company's auditors for non-audit services amounted to £1,400 have been paid by another group company.

The directors assessed the recoverability of the goodwill balance and recorded an exceptional amortisation charge of £810,722 in the prior year.

4. TAX ON LOSS ON ORDINARY ACTIVITIES

i) Analysis of tax charge on ordinary activities

	2014 £	2013 £
United Kingdom corporation tax on the loss for the period	-	-
Deferred tax	-	-
Tax on loss on ordinary activities	-	-

ii) Factors affecting tax charge for the current period.

The tax assessed for the year is different than that resulting from applying the standard rate of corporation tax in the UK: 22.0% (2013: 23.5%).

The differences are explained below:

	2014 £	2013 £
Loss on ordinary activities before tax	-	810,722
Tax at 22.0% (2013: 23.5%) thereon:	-	(190,520)
Expenses not deductible for corporation tax	-	190,520
Current tax charge for the year	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 September 2014

5. FIXED ASSET INVESTMENTS

	2014 £	2013 £
Cost and net book value	<u>1,182,370</u>	<u>1,182,370</u>

The company owns the entire issued ordinary share capital of Bramley Court (Care Homes) Limited, a company incorporated in England. The principal activity of that company is the letting of freehold property to Zest Care Homes Limited, a fellow group company.

6. DEBTORS

	2014 £	2013 £
Amounts owed by group undertakings	<u>2,466,029</u>	<u>2,466,029</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Amounts owed to group undertakings	1,150	1,150
Accruals and deferred income	<u>3,000</u>	<u>3,000</u>
	<u>4,150</u>	<u>4,150</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2014 £	2013 £
Amounts owed to group undertakings	<u>5,400,000</u>	<u>5,400,000</u>

The amounts owed to group undertakings are currently interest free and are not repayable within the next 12 months.

9. CALLED-UP SHARE CAPITAL

	2014 £	2013 £
<i>Allotted, called-up and fully paid</i> 50,001 ordinary shares of £1 each	<u>50,001</u>	<u>50,001</u>

10. RESERVES

	2014 £	2013 £
At 1 October 2013	(1,805,752)	(995,030)
Loss for the year	<u>-</u>	<u>(810,722)</u>
At 30 September 2014	<u>(1,805,752)</u>	<u>(1,805,752)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 September 2014

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	2014 £	2013 £
Opening shareholders' deficit	(1,755,751)	(945,029)
Loss for the year	-	(810,722)
Closing shareholders' deficit	<u>(1,755,751)</u>	<u>(1,755,751)</u>

12. COMMITMENTS

The company is party to an omnibus guarantee in favour of Ulster Bank to secure group borrowings. The total borrowings outstanding at the period end were £7,810,136 (2013: £27,852,269).

The bank loans are secured by a fixed and floating charge over all the assets of the company.

13. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Zest Investment Group Limited and is exempt from the requirements of FRS 8 'Related Party Disclosures' to disclose transactions with other members of the group headed by Zest Investment Group Limited. There have been no transactions with the directors of the company (refer to note 2), or of the group in the year.

14. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The directors regard Zest Investment Property Group Limited, a company incorporated in England and Wales, as being the company's immediate parent company.

The directors regard Zest Investment Group Limited, a company incorporated in England and Wales, as being the company's ultimate parent company and is the parent company of the largest and smallest group which includes the company. Copies of the group accounts are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

Zest Investment Group Limited is jointly controlled by the directors who each individually hold 33.33 per cent of the issued share capital of the company.