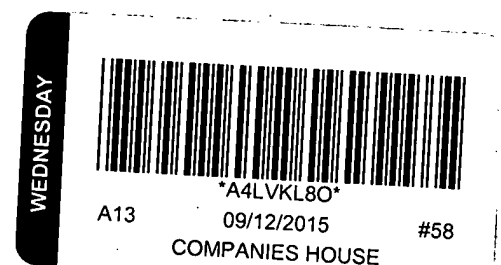


Company registered no: 05715862

St George Ultimate Care Limited
Annual report and financial statements
for the year ended 31 March 2015



St George Ultimate Care Limited

Contents

Directors and advisers	3
Strategic report for the year ended 31 March 2015	4
Directors' report for the year ended 31 March 2015	6
Independent auditors' report to the members of St George Ultimate Care Limited	8
Consolidated profit and loss account for the year ended 31 March 2015	10
Consolidated balance sheet as at 31 March 2015	11
Company balance sheet as at 31 March 2015	12
Consolidated cash flow statement as at 31 March 2015	13
Notes to the financial statements for the year ended 31 March 2015	14

St George Ultimate Care Limited

Directors and advisers

Directors

H Elnarshy-Fouad
N M Fouad

Secretary

H Elnarshy-Fouad

Company number

05715862

Registered office

12 Stanhope Road
Bowden
Altrincham
Cheshire
WA14 3JY

Bankers

The Royal Bank of Scotland
2nd Floor
1 Spinningfields Square
Manchester
M3 3AP

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Legal

Kuit Steinart Levy LLP
3 St Marys Parsonage
Manchester
M3 2RD

St George Ultimate Care Limited

Strategic report for the year ended 31 March 2015

The directors present their strategic report on the group for the year ended 31 March 2015.

Principal activities and business review

The principal activity of the company during the year was that of a holding company. During the year the group made a profit of £1,497,759 (2014: £1,604,767), and at the 31 March 2015 the group had net assets of £17,014,398 (2014: £15,017,386).

The principal activity of the group is to operate independent rehabilitation hospitals providing facilities and services for patients with mental health needs, sensory impairment and acute, long term neurological conditions, together with the provision of nursing staff, predominantly to the group's hospitals.

Details of the activities of the St George Care UK trading group are summarised below.

St George Care UK Limited

The principal activity is that of a holding company. The company owns the entire share capital of St George Healthcare Limited, Focus on Care Recruitment Limited and St George Healthcare Group Limited, which owns the entire issued share capital of St Mary's Hospitals Limited and All Saints Hospital Limited.

St George Healthcare Group Limited

The principal activity is that of an intermediate holding company.

St Mary's Hospitals Limited

The principal activity of the company is to operate independent rehabilitation hospitals providing facilities and services for patients with mental health needs that are associated with brain injuries and/or deafness and/or development disorders.

The company operates two centres from the same site St Mary's Hospital at Floyd Drive, off Winwick Road, Warrington; the Phineas Gage Centre which opened in March 2006 and the James Pullen Centre which opened in May 2007.

The company is planning the development of a new site in Brampton, Carlisle, as an independent secure hospital for people with development disorders

St George Healthcare Limited

The company operates facilities at St Cyril's Rehabilitation Unit, Chester which opened during October 2009 and provides rehabilitation services for most acute long-term neurological conditions.

Until 1 April 2014, the company also operated All Saints Hospital in Oldham which provides services for patients with mental illness and sensory impairment.

At 1 April, the company All Saints Hospital Limited began to operate the All Saints Hospital following the transfer of the tangible fixed assets and the related trade from St George Healthcare Limited to All Saints Hospital Limited at their net book value for a consideration of £3,754,156.

St Cyril's Rehabilitation Unit achieved significant growth in revenue and operating profit as a result of higher occupancy and fees in all services offered by the hospital. The hospital continues to have high occupancy levels and a steady stream of referrals.

All Saints Hospital Limited

In the prior year the company was dormant. On 1 April 2014 the tangible fixed assets and related trade of All Saints Hospital, which operates in Oldham and provides services for patients with mental illness and sensory impairment, were transferred to All Saints Hospital Limited from St George Healthcare Limited at their net book value for a consideration of £3,754,156.

All Saints Hospital Ltd achieved significant growth in revenue and operating profit as a result of higher occupancy and fees in all services offered by the hospital.

Focus on Care Recruitment Limited

The principal activity of the company is the provision of nursing staff, predominantly to the group's hospitals.

St George Ultimate Care Limited

Strategic report for the year ended 31 March 2015 (continued)

Principal risks and uncertainties

The most fundamental risks faced by the group are:

- Failure to comply with regulation;
- Negative publicity from a serious incident;
- Occupancy levels not being achieved having negative effects on profit; and
- Failure to attract and retain sufficient numbers of qualified staff.

The group has a risk management process in place to identify, manage and mitigate business risk. Regular reporting and review of these risks are performed by senior management who report findings to the Board.

Non-financial risks

The group is regulated by CQC and performance would potentially suffer if high standards of quality are not maintained.

Financial risk management

The Group's operations expose it to a variety of financial risks that include interest rate risk and credit risk.

All of the group's funding is provided via a cashpool facility or intergroup loans from St George Care UK Limited. Interest rate risk includes exposure to changes in the UK Base Rate and LIBOR as interest rates are variable.

The effects of credit risk are controlled as the group has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed by the Board. The Board receives regular reports on amounts due and amounts significantly overdue and the relevant action taken.

Future developments

The group are planning the development of a 4 bed extension at St Cyril's Rehabilitation Unit, Chester and a further 9 bed extension to the James Pullen Centre at St Mary's Hospital, Warrington. In addition, the group has obtained planning permission for an independent hospital at a site in Knowsley, Liverpool and a secure independent hospital for people with development disorders at a site in Brampton, Carlisle.

Key performance indicators ("KPI"s)

The group's strategy is one of growth with improved profitability. The directors monitor progress against this strategy by reference to a number of KPI's.

Performance for the year, together with comparative data for the previous year is set out in the table below:

	2015	2014	Definition, method of calculation and analysis
Growth in sales (%)	10%	26%	Year on year sales growth expressed as a percentage. The continued growth is as a result of higher occupancy and fee mix. The sharp increase in 2014 reflected the fact that the hospitals were nearing full occupancy, with the result that in 2015 the rate of growth reduced.
Net profit margin (%)	15%	16%	Return on sales is the ratio of profit on ordinary activities before taxation to sales expressed as a percentage. Return on sales has remained constant over the year.

On behalf of the board



Hala Elnarshy-Fouad

Director

10 July 2015

St George Ultimate Care Limited

Directors' report for the year ended 31 March 2015

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

Future developments

An indication of the likely future developments of the business is included in the Strategic report on page 5.

Charitable and political donations

During the financial year the group made charitable donations of £471,443 (2013: £192,859). The donations were made to St Mina Charity, St Marks Universal Copts Care and St Mary & St Mina's Coptic Orthodox Church. The directors are trustees of St Marks Universal Copts Care. There were no political donations during the financial year (2014: £nil).

Dividends

The directors do not recommend the payment of a dividend (2014: £nil).

Financial risk management

Financial risk management is described in the Strategic Report on page 5.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

N M Fouad

H Elnarshy-Fouad

Directors' indemnities

The company maintained throughout the year, and at the date of approval of the financial statements, liability insurance for its directors and officers. This is a qualifying provision for the purposes of the Companies Act 2006.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee consultation

The company maintains a policy of regular consultation and discussion with its employees on a wide range of issues that are likely to affect their interests and ensure that all employees are given regular updates of the performance of their business units and of the company as a whole.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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 year. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

St George Ultimate Care Limited

Directors' report for the year ended 31 March 2015 (continued)

- 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 of information to auditors

In the case of each of the persons who are directors at the time when the report is approved under section 418 of the Companies Act 2006 the following applies:

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the board



H Elnarshy-Fouad

Director

10 July 2015

Registered number: 05715862

Independent auditors' report to the members of St George Ultimate Care Limited

Report on the financial statements

Our opinion

In our opinion, St George Ultimate Care Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2015 and of the group's profit and cash flows 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.

What we have audited

St George Ultimate Care Limited's financial statements comprise:

- the Consolidated Balance Sheet and Company Balance Sheet as at 31 March 2015;
- the Profit and Loss Account and Consolidated Statement of Total Recognised Gains and Losses for the year then ended;
- the Consolidated Cash Flow Statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4 and 5, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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 group's and 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements 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.

H. Macnamara

Hazel Macnamara (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

10 July 2015

St George Ultimate Care Limited

Consolidated Profit and Loss account for the year ended 31 March 2015

	Note	2015 £	2014 £
Turnover	2	19,201,446	17,470,340
Cost of sales		(8,280,361)	(6,683,890)
Gross profit		10,921,085	10,786,450
Administrative expenses		(6,401,483)	(6,886,905)
Exceptional administrative expenses	3	(953,726)	-
Total administrative expenses		(7,355,209)	(6,886,905)
Operating profit	4	3,565,876	3,899,545
Interest payable and similar charges	6	(765,756)	(1,133,866)
Profit on ordinary activities before taxation		2,800,120	2,765,679
Tax on profit on ordinary activities	7	(803,108)	(625,990)
Profit on ordinary activities after taxation		1,997,012	2,139,689
Minority interests	24	(499,253)	(534,922)
Profit attributable to members of the parent company	16	1,497,759	1,604,767
Profit for the financial year		1,497,759	1,604,767

All results derive from continuing operations.

There are no material differences between the results on ordinary activities before taxation and their historical cost equivalents for the years stated above.

There have been no other gains or losses for either of the two years stated above other than those shown. As such no separate Statement of total recognised gains and losses has been presented.

St George Ultimate Care Limited

Consolidated Balance Sheet as at 31 March 2015

		2015		2014	
	Note	£	£	£	£
Fixed assets					
Intangible assets	8		144,931		150,970
Tangible assets	9		36,241,551		37,313,194
Investments	10		-		40,000
			<u>36,386,482</u>		<u>37,504,164</u>
Current assets					
Debtors	11	1,477,346		823,398	
Cash at bank and in hand		<u>1,343,557</u>		<u>3,027,038</u>	
		<u>2,820,903</u>		<u>3,850,436</u>	
Creditors: amounts falling due within one year	12	<u>(4,539,261)</u>		<u>(4,957,725)</u>	
Net current liabilities			<u>(1,718,358)</u>		<u>(1,107,289)</u>
Total assets less current liabilities			<u>34,668,124</u>		<u>36,396,875</u>
Creditors : amounts falling due after more than one year	13		(17,289,286)		(21,028,766)
Provisions for liabilities					
Deferred taxation	14		<u>(364,440)</u>		<u>(350,723)</u>
Net assets			<u><u>17,014,398</u></u>		<u><u>15,017,386</u></u>
Capital and reserves					
Called up share capital	15		200		200
Share premium account	16		5,385,522		5,385,522
Profit and loss account	16		<u>7,009,228</u>		<u>5,511,469</u>
Total shareholders' funds	17		<u>12,394,950</u>		<u>10,897,191</u>
Minority interests	24		<u>4,619,448</u>		<u>4,120,195</u>
Capital employed			<u><u>17,014,398</u></u>		<u><u>15,017,386</u></u>

The financial statements on pages 10 to 23 were approved by the Board of Directors and were signed on its behalf by:



H Elnarshy-Fouad

Director

10 July 2015

Company registered number: 05715862

St George Ultimate Care Limited

Company Balance Sheet as at 31 March 2015

			2015	2014
	Note	£	£	£
Fixed assets				
Investments	10		5,415,002	5,455,002
Current assets				
Debtors	11	482,931		621,126
Cash at bank and in hand		3,000		1,159
		<u>485,931</u>		<u>622,285</u>
Creditors: amounts falling due within one year	12	<u>(129,104)</u>	<u>(337,539)</u>	
Net current assets			356,827	284,746
Total assets less current liabilities			5,771,829	5,739,748
Creditors: amounts falling due after more than one year	13	<u>(754,828)</u>		<u>(380,948)</u>
Net assets			<u>5,017,001</u>	<u>5,358,800</u>
Capital and reserves				
Called up share capital	15		200	200
Share premium account	16		5,385,522	5,385,522
Profit and loss account	16		<u>(368,721)</u>	<u>(26,922)</u>
Total shareholders' funds	17		<u>5,017,001</u>	<u>5,358,800</u>

The financial statements on pages 10 to 23 were approved by the Board of Directors on and were signed on its behalf by:



H Elnarshy-Fouad
Director
10 July 2015

Company registered number: 05715862

St George Ultimate Care Limited

Consolidated Cash Flow Statement as at 31 March 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	18	3,719,365	4,361,687
Returns on investments and servicing of finance	19	(765,756)	(1,133,866)
Taxation		(965,641)	(117,640)
Capital expenditure and financial investments	19	(203,591)	(208,431)
Cash inflow before financing		1,784,377	2,901,750
Financing	19	(3,467,857)	(952,486)
(Decrease)/increase in cash in the year		(1,683,480)	1,949,264

St George Ultimate Care Limited

Notes to the Financial Statements for the year ended 31 March 2015

1. Accounting policies

1.1. Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The accounting policies, which have been applied consistently, are set out below.

1.2. Basis of consolidation

The financial statements consolidate the accounts of St George Ultimate Care UK Limited and all of its subsidiary undertakings.

1.3. Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 4.

The Company meets its day to day working capital requirements through an overdraft facility and bank loan which is currently renewed periodically.

The Company's forecasts and projects, which take into account reasonably possible changes in trading performance, show that the Company will be able to operate comfortably within the level of the renewed facilities and banking covenants. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.4. Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year for services provided by each subsidiary company as outlined on page 4. All turnover derives from the UK. Turnover is recognised at the point of service delivery.

1.5. Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	- 5% straight line
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1.6. Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

1.7. Fixed assets

All fixed assets are initially recorded at cost.

1.8. Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold and leasehold property	- 2% straight line
Fixtures and fittings	- 10 - 33.3% straight line

Freehold land is not depreciated.

1.9. Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

1.10. Pension costs

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

St George Ultimate Care Limited

Notes to the Financial Statements for the year ended 31 March 2015 (continued)

1.11. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.12. Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2. Turnover

	2015	2014
	£	£
Turnover	<u>19,201,446</u>	<u>17,470,340</u>

Turnover is attributable to the provision of rehabilitation services for patients with brain injuries and a range of therapies in the field of mental health and deafness, and to the provision of nursing staff.

All turnover reported in the year under review arose within the United Kingdom.

3. Exceptional items

	2015	2014
	£	£
The exceptional item is made up of:		
Forgiveness of loan from St George Villas SL	(620,143)	-
Forgiveness of loan to Ultimate Care Limited	647,169	-
	<u>27,026</u>	<u>-</u>
Loss on disposal of St George Villas SL	422,371	-
Consultancy fees	504,329	-
	<u>953,726</u>	<u>-</u>

4. Profit on ordinary activities before taxation

The profit is stated after charging

	2015	2014
	£	£
Amortisation of intangible fixed assets	6,039	6,039
Depreciation of tangible fixed assets	550,831	516,326
Loss on disposal of fixed assets	724,403	3,562
Fees payable to the Company's auditors for the Company's financial statements	1,890	1,890
Services provided by the Company's auditors:		
Fees payable for the audit of the group	37,750	36,000
Fees payable for other services	228,787	15,600
Operating lease rentals:		
- Plant and equipment	<u>42,408</u>	<u>43,129</u>

St George Ultimate Care Limited

Notes to the Financial Statements for the year ended 31 March 2015 (continued)

5. Staff costs

Staff costs, including directors' remuneration were as follows:

	2015	2014
	£	£
Wages and salaries	8,069,078	8,797,857
Social security costs	688,168	738,696
Other pension costs	111,243	78,016
	<u>8,868,489</u>	<u>9,614,569</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015	2014
	No	No
Directors	2	2
Non-clinical	192	172
Clinical	386	400
	<u>580</u>	<u>574</u>

Directors' remuneration

	2015	2014
	£	£
Emoluments	120,000	120,000
Company pension contributions to defined contribution pension	<u>361</u>	<u>89</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2015	2014
	No.	No.
Money purchase schemes	<u>-</u>	<u>-</u>

6. Interest payable and similar charges

	2015	2014
	£	£
Interest payable on bank loans	765,756	1,100,968
Other bank interest payable	-	32,898
	<u>765,756</u>	<u>1,133,866</u>

7. Tax on profit on ordinary activities

	2015	2014
	£	£

Analysis of tax charge in the year

Current tax (see note below)

UK corporation tax on profit for the year	794,550	718,102
Adjustments in respect of prior periods	(5,160)	(6,302)
Total current tax	<u>789,390</u>	<u>711,800</u>

Deferred tax (see note 14)

Origination and reversal of timing differences	16,971	(33,371)
Adjustment in respect of previous periods	(2,777)	49
Effect of change in tax rates	(476)	(52,488)
Total deferred tax	<u>13,718</u>	<u>(85,810)</u>
Tax on profit on ordinary activities	<u>803,108</u>	<u>625,990</u>

St George Ultimate Care Limited

Notes to the Financial Statements for the year ended 31 March 2015 (continued)

Factors affecting tax charge for the year

The tax charge for the year differs from the standard rate of corporation tax in the UK of 21% (2014: 23%)

The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>2,800,120</u>	<u>2,765,679</u>
Tax on profit at standard rate of 21% (2014: 23%)	588,025	636,106
Effects of expenses not deductible for tax purposes	236,852	38,789
Adjustment in respect of the small companies rate	(1,000)	
Capital allowances for the period in excess of depreciation	(19,082)	34,060
Movement in short term timing differences	1,655	(690)
Adjustment in respect of previous periods	(5,160)	(6,302)
Tax losses arising in the period – not recognised	-	10,978
Group relief not paid for	1	-
Effect of previously unrecognised deferred tax assets	(11,901)	-
Difference in tax rates	-	(1,141)
Current tax charge for the year	<u>789,390</u>	<u>711,800</u>

The standard rate of corporation tax in the UK changed from 23% to 21% with effect from 1 April 2014. The change in the corporation tax rate from 23% to 21% (effective from 1 April 2014), and a further reduction to 20% (effective from 1 April 2015), was enacted in the Finance Act 2013 and, as a result, UK deferred tax balances in 2015 were measured at the enacted rate of 20%.

8. Intangible assets

Group

	Goodwill £
Cost	
At 1 April 2014 and 31 March 2015	<u>216,412</u>
Accumulated amortisation	
At 1 April 2014	65,442
Charge for the year	<u>6,039</u>
At 31 March 2015	<u>71,481</u>
Net book value	
At 31 March 2015	<u>144,931</u>
At 31 March 2014	<u>150,970</u>

St George Ultimate Care Limited

Notes to the Financial Statements for the year ended 31 March 2015 (continued)

9. Tangible assets

Group

	Freehold and leasehold property	Investment property	Fixtures and fittings	Total
Cost	£	£	£	£
At 1 April 2014	36,403,269	717,824	1,606,926	38,728,019
Additions	43,936		159,655	203,591
Disposals	(74,442)	(717,824)	(109,317)	(901,583)
At 31 March 2015	36,372,763	-	1,657,264	38,030,027
Accumulated depreciation				
At 1 April 2014	342,082	-	1,072,743	1,414,825
Charge for the year	341,927	-	208,904	550,831
On disposals	(69,956)	-	(107,224)	(177,180)
At 31 March 2015	614,053	-	1,174,423	1,788,476
Net book value				
At 31 March 2015	35,758,710	-	482,841	36,241,551
At 31 March 2014	36,061,187	717,824	534,183	37,313,194

In the opinion of the directors the open market value of the investment property as at 31 March 2015 is not materially different to the net book value.

10. Investments

Group

	2015 £	2014 £
Cost		
At 1 April 2014 and 1 April 2013	40,000	70,000
Disposals	(40,000)	-
Amounts written off	-	(30,000)
Net book value at 31 March 2015 and 31 March 2014	-	40,000

Company

	Group companies £	Other investments £	Total £
Cost			
At 1 April 2014	5,415,002	40,000	5,455,002
Disposals	-	(40,000)	(40,000)
At 31 March 2015	5,415,002	-	5,415,002
Amounts written off			
At 1 April 2014 and 31 March 2015	-	-	-
Net book value			
At 31 March 2015	5,415,002	-	5,415,002
At 31 March 2014	5,415,002	40,000	5,455,002

The directors believe that the carrying value of the investments is supported by their underlying net assets.

St George Ultimate Care Limited

Notes to the Financial Statements for the year ended 31 March 2015 (continued)

The interests in group undertakings which are all included in the consolidation, are as follows:

Company name	Country	Percentage shareholding	Principal activities
St George Care UK Limited	England	75%	Holding Company
St George Healthcare Group Limited*	England	75%	Holding Company
St George Healthcare Limited*	England	75%	Rehabilitation hospitals
St Marys Hospitals Limited**	England	75%	Rehabilitation hospitals
All Saints Hospital Limited**	England	75%	Rehabilitation hospitals
Focus on Care Recruitment Limited*	England	75%	Provision of nursing staff
St George Villas SL***	Spain	100%	Property Investment

* Wholly owned subsidiary of St George Care UK Limited.

** Wholly owned subsidiary of St George Healthcare Group Limited.

*** St George Villas SL has a year end of 31 December 2014. On 23 October 2014 the business was sold and the results have been consolidated up to that date.

The percentage shareholding is of Ordinary shares and represents the proportion of the nominal value held and the proportion of voting rights represented by those shares other than as follows;

St George Ultimate Care Limited holds 100% of the Ordinary A shares of St George Care UK Limited which represents 75% of the assets and 100% of the voting rights of the company.

The share capital of St George Healthcare Group Limited is divided into A and B shares.

11. Debtors

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	663,395	522,836	-	-
Amounts owed by group undertakings	-	-	-	619,135
Amounts owed by related parties	12,228	4,753	-	-
Other debtors	4,038	6,015	-	1,991
Called up share capital not paid	73,199	73,199	-	-
Directors' loan accounts	482,931	-	482,931	-
Prepayments and accrued income	241,555	216,595	-	-
	1,477,346	823,398	482,931	621,126

Included in debtors is £73,199 of unpaid called up share capital.

12. Creditors: amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	1,992,856	1,992,856	-	-
Trade creditors	799,736	734,395	-	-
Amounts owed to related parties	46,943	51,354	46,943	46,943
Corporation tax	539,747	715,408	79,071	-
Other taxation and social security	256,454	254,387	-	-
Other creditors	41,382	42,351	3,090	3,091
Accruals and deferred income	862,143	904,025	-	-
Directors' loan accounts	-	262,949	-	287,505
	4,539,261	4,957,725	129,104	337,539

St George Ultimate Care Limited

Notes to the Financial Statements for the year ended 31 March 2015 (continued)

13. Creditors: amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	17,289,286	21,028,766	-	-
Amounts owed to group undertakings	-	-	754,828	380,948
	<u>17,289,286</u>	<u>21,028,766</u>	<u>754,828</u>	<u>380,948</u>

Amounts owed to group undertakings are unsecured, interest free and will be repaid after more than one year.

At 31 March 2015, the Company had two bank loan facilities with RBS for bank loans of £16,500,000 and £6,250,000. Interest is charged at 2.75% and 4.5% above LIBOR on the respective loans. All were secured by fixed and floating charges over all the Company's current and future assets and the first legal charges over properties owned by the Group.

Bank loans and overdrafts amounting to £19,282,142 are secured by an unlimited mortgage debenture incorporating a fixed and floating charge over all current and future assets of the company and first legal charges over properties owned by the Group.

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date.

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans				
Due within one year	1,992,856	1,992,856	-	-
Due between two and four years	7,971,424	7,971,424	-	-
Due in more than five years	<u>9,317,862</u>	<u>13,057,342</u>	<u>-</u>	<u>-</u>

14. Deferred taxation

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Provision at the start of the year	350,723	436,534	-	-
Deferred tax charge in profit and loss for the period	16,494	(85,860)	-	-
Adjustment in respect of prior years	(2,777)	49	-	-
Provision carried forward	<u>364,440</u>	<u>350,723</u>	<u>-</u>	<u>-</u>

The provision for deferred taxation is made up as follows:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Accelerated capital allowances	366,016	350,723	-	-
Short term timing differences - trading	<u>(1,576)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>364,440</u>	<u>350,723</u>	<u>-</u>	<u>-</u>

15. Called up share capital

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Allotted, called up and fully paid				
200 ordinary shares of £1 each	200	200	200	200
	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

The prior year share capital includes an amount of £72,000 (£60,000 share capital (B shares) and £12,000 share premium) that was not included in the prior year accounts. As this is not considered to be a fundamental error, no resubmission/restatement of the accounts is deemed necessary and so the correction has been made to the comparative above.

St George Ultimate Care Limited

Notes to the Financial Statements for the year ended 31 March 2015 (continued)

16. Reserves

Group

	Share premium account £	Profit and loss account £
At 1 April 2014	5,385,522	5,511,469
Profit for the financial year	-	1,497,759
At 31 March 2015	<u>5,385,522</u>	<u>7,009,228</u>

Company

	Share premium account £	Profit and loss account £
At 1 April 2014	5,385,522	(26,922)
Profit for the financial year	-	(341,799)
At 31 March 2015	<u>5,385,522</u>	<u>(368,721)</u>

17. Reconciliation of movements in shareholders' funds

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Profit/(loss) for the financial year	1,497,759	1,604,767	(341,799)	4,100
Opening shareholders' funds	<u>10,897,191</u>	<u>9,292,424</u>	<u>5,358,800</u>	<u>5,354,700</u>
Closing shareholders' funds	<u>12,394,950</u>	<u>10,897,191</u>	<u>5,017,001</u>	<u>5,358,800</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The loss for the year dealt with in the financial statements of the company was £341,799 (2014: £4,100).

18. Net cash flow from operating activities

	2015 £	2014 £
Operating profit	3,565,876	3,899,545
Amortisation	6,039	6,039
Depreciation	550,831	516,326
Loss on disposal of fixed assets	724,403	3,563
(Increase)/decrease in debtors	(813,570)	(2,052)
(Decrease)/increase in creditors	(314,214)	(61,734)
Net cash inflow from operating activities	<u>3,719,365</u>	<u>4,361,687</u>

St George Ultimate Care Limited

Notes to the Financial Statements for the year ended 31 March 2015 (continued)

19. Analysis of cash flows for headings netted in cash statement	2015 £	2014 £
Returns on investments and servicing of finance		
Interest paid	<u>(765,756)</u>	<u>(1,133,866)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(203,591)</u>	<u>(208,431)</u>
	2015 £	2014 £
Financing		
Repayment of bank loans	<u>(3,467,857)</u>	<u>(952,486)</u>

20. Analysis of changes in net debt

	01-Apr-14 £	Cash flow £	Other non-cash changes £	31-Mar-15 £
Cash at bank and in hand	3,027,038	(1,683,480)	-	1,343,558
Debt:				
Debts due within one year	(1,992,856)	1,992,856	(1,992,856)	(1,992,856)
Debts falling due after more than one year	<u>(21,028,766)</u>	<u>1,475,002</u>	<u>2,264,478</u>	<u>(17,289,286)</u>
Net debt	<u>(19,994,584)</u>	<u>1,784,378</u>	<u>271,622</u>	<u>(17,938,584)</u>

21. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £111,243 (2014: £78,016). Contributions totalling £13,539 (2014: £11,663) were payable to the fund at the balance sheet date.

22. Related party transactions

St George Homes Limited is a company registered in England of which N Fouad and H Elnarshy-Fouad are directors and majority shareholders. During the year St George Homes Limited made sales of £12,000 (2014: £18,000) to the group. At the year end, £46,643 (2014: £42,190) was due to St George Homes Limited. During the year, a debtor totalling £8,756 (2014: £91,792) due from St George Homes Limited was written off.

At the year end, the Group was owed £11,928 (2014 - £nil) by NHMC Limited, a company related through common ownership.

Included in debtors due within one year is a Directors' loan account of £482,931 (2014: creditor within one year of £262,949).

During the financial year the group made donations of £191,000 (2014: £4,450) and made payments of £44,356 (2014: £19,715) to St Marks Universal Copts Care of which the directors are trustees.

During the financial year the group made donations of £224,000 (2014: £158,336) and made payments of nil (2014: £7,757) to St Mina Charity.

St George Ultimate Care Limited

Notes to the Financial Statements for the year ended 31 March 2015 (continued)

23. Commitments under operating leases

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as follows:

Group	2015 £	2014 £
Expiry date:		
Within 1 year	554	17,205
Between 2 and 5 years	97,083	25,924
After more than 5 years	-	-

24. Minority interests

	2015 £	2014 £
Balance at 1 April 2014	4,120,195	3,513,273
Additions	-	72,000
Share of profit after taxation for the year	499,253	534,922
Balance at 31 March 2015	4,619,448	4,120,195

25. Controlling Party

By virtue of their 50% share each in St George Ultimate Care Limited N M Fouad and H Elnarshy Fouad are deemed to be the ultimate controlling parties