Company Registration No. 05741454 (England and Wales)

ABBEY CARE CENTRE LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 APRIL 2016

ABBEY CARE CENTRE LIMITED

COMPANY INFORMATION

Directors	Mr J M Patel Mrs D J Patel
Secretary	Mrs D J Patel
Company number	05741454
Registered office	9 Spareleaze Hill Loughton Essex IG10 1BS
Registered auditors	Alwyns LLP Crown House 151 High Road Loughton Essex IG10 4LG

ABBEY CARE CENTRE LIMITED

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ABBEY CARE CENTRE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2016

The directors present the Annual Report for the year ended 30 April 2016.

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

Turnover increased by 1.9% 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). The CQC is responsible for making sure care homes and care services in England provide people with safe, effective, compassionate and high-quality care. The company is fully compliant with all required health and safety regulations, labour, and employment laws.

The company considers its Key Performance Indicators to be number of beds available, occupancy rate and average fee per bed which are continually being reviewed.

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.

Commercial and regulatory factors continue to challenge the company's operations, but we are confident of responding to all such challenges. Local authorities and the NHS continue to restrict annual fee increments and have lengthened payment periods, but the company has made adequate provisions in its cash-flow to deal with this. We are confident of maintaining the momentum in growth well into the foreseeable future.

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 2016

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J M Patel
Mrs D J Patel

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

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

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 are credit facilities 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.

In April 2016, the group successfully renewed its term and revolving development banking facility for another five years. The development facility will aid greatly in developing agreed projects, including the opportunistic acquisition of any peripheral properties that fit into the group's expansion plans.

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 cashflow 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, borrowings and derivative instruments are made through banks and companies 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 directors regularly review trade debtors and pursue any outstanding debts on a timely basis. Where necessary, provisions are made for doubtful debts.

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

Statement of directors' responsibilities
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 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 auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 auditor is aware of that information.

On behalf of the board

Mr J M Patel
Director
28 October 2016

ABBEY CARE CENTRE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABBEY CARE CENTRE LIMITED

We have audited the financial statements of Abbey Care Centre Limited for the year ended 30 April 2016 set out on pages 6 to 20. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 2016 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ABBEY CARE CENTRE 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.

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

28 October 2016

Chartered Accountants
Statutory Auditor

Crown House
151 High Road
Loughton
Essex
IG10 4LG

ABBEY CARE CENTRE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	2016 £	2015 £
Turnover	3	774,834	760,434
Cost of sales		(498,118)	(483,987)
Gross profit		276,716	276,447
Administrative expenses		(102,188)	3,776
Operating profit	4	174,528	280,223
Interest payable and similar charges	6	(45,462)	-
Profit before taxation		129,066	280,223
Taxation	7	(14,699)	(24,135)
Profit for the financial year		114,367	256,088

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

ABBEY CARE CENTRE LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2016

	2016 £	2015 £
Profit for the year	114,367	256,088
Other comprehensive income	-	-
Total comprehensive income for the year	114,367	256,088

ABBEY CARE CENTRE LIMITED

BALANCE SHEET

AS AT 30 APRIL 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	8		2,158,956		2,100,000
Current assets					
Debtors	10	235,784		170,091	
Cash at bank and in hand		33,014		10,365	
		268,798		180,456	
Creditors: amounts falling due within one year	11	(3,555,022)		(3,522,091)	
Net current liabilities			(3,286,224)		(3,341,635)
Total assets less current liabilities			(1,127,268)		(1,241,635)
Capital and reserves					
Called up share capital	13		100		100
Profit and loss reserves			(1,127,368)		(1,241,735)
Total equity			(1,127,268)		(1,241,635)

The financial statements were approved by the board of directors and authorised for issue on 28 October 2016 and are signed on its behalf by:

Mr J M Patel
Director

Company Registration No. 05741454

ABBEY CARE CENTRE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2016

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 May 2014	100	(1,497,823)	(1,497,723)
Year ended 30 April 2015:			
Profit and total comprehensive income for the year	-	256,088	256,088
Balance at 30 April 2015	100	(1,241,735)	(1,241,635)
Year ended 30 April 2016:			
Profit and total comprehensive income for the year	-	114,367	114,367
Balance at 30 April 2016	100	(1,127,368)	(1,127,268)

ABBEY CARE CENTRE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		154,441		(9,934)
Interest paid			(45,462)		-
Income taxes paid			(24,135)		-
Net cash inflow/(outflow) from operating activities			84,844		(9,934)
Investing activities					
Purchase of tangible fixed assets		(59,361)		(956)	
Net cash used in investing activities			(59,361)		(956)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			25,483		(10,890)
Cash and cash equivalents at beginning of year			6,071		16,961
Cash and cash equivalents at end of year			31,554		6,071
Relating to:					
Cash at bank and in hand			33,014		10,365
Bank overdrafts included in creditors payable within one year			(1,460)		(4,294)

1 Accounting policies

Company information

Abbey Care Centre Limited is a company limited by shares incorporated in England and Wales. The registered office is 9 Spareleaze Hill, Loughton, Essex, IG10 1BS.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest whole pound.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 April 2016 are the first financial statements of Abbey Care Centre Limited prepared in accordance with FRS 102. The date of transition to FRS 102 was 1 May 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share-based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Abbey Total Care Group Limited. These consolidated financial statements are available from its registered office.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for services provided.

1 Accounting policies **(Continued)**

1.4 Tangible fixed assets

Tangible fixed assets other than freehold land and buildings are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately through the profit and loss account, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately through the profit and loss account, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised through the profit and loss account, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised through the profit and loss account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised through the profit and loss account.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised through the profit and loss account in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies (Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

The total turnover of the company for the year has been derived from its principal activity of the operation of a care home which is wholly undertaken in the United Kingdom.

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2016 £	2015 £
Fees payable to the company's auditor for the audit of the company's financial statements	750	750
Depreciation of owned tangible fixed assets	29,507	31,107

The directors received no remuneration or accrued pension benefits from the company in either year.

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Resident welfare	26	30
Administration	2	2
	28	32

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	429,316	419,304
Social security costs	28,480	25,670
	457,796	444,974

6 Interest payable and similar charges

	2016 £	2015 £
Interest on financial liabilities measured at amortised cost:		
Interest on group bank loans and overdrafts	45,462	-

7 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	14,699	24,135

7 Taxation (Continued)

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2016	2015
	£	£
Profit before taxation	129,066	280,223
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.92%)	25,813	58,623
Tax effect of utilisation of tax losses not previously recognised	-	(4,288)
Group relief	-	(8,091)
Depreciation add back	5,901	6,508
Capital allowances	(11,195)	(8,080)
Other tax adjustments	-	415
Freehold property revaluation	(5,820)	(20,952)
Tax expense for the year	14,699	24,135

8 Tangible fixed assets

	Land and buildings - Freehold	Fixtures, fittings & equipment	Total
	£	£	£
Cost or valuation			
At 1 May 2015	1,890,536	538,978	2,429,514
Additions	35,442	23,919	59,361
Revaluation	29,102	-	29,102
At 30 April 2016	1,955,080	562,897	2,517,977
Depreciation and impairment			
At 1 May 2015	-	329,514	329,514
Depreciation charged in the year	-	29,507	29,507
At 30 April 2016	-	359,021	359,021
Carrying amount			
At 30 April 2016	1,955,080	203,876	2,158,956
At 30 April 2015	1,890,536	209,464	2,100,000

8 Tangible fixed assets **(Continued)**

Land and buildings with a carrying amount of £1,955,080 were revalued during the year based on a valuation concluded in January 2016 by Christie Owen & Davies Limited, independent valuers not connected with the company, on the basis of market value as defined in the publication 'RICS Valuation - Professional Standards, Global and UK, January 2014' published by the Royal Institution of Chartered Surveyors.

There is no difference between the value recorded above for the freehold land and buildings and the historical cost.

9 Financial instruments

	2016	2015
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	225,339	164,588
Carrying amount of financial liabilities		
Measured at amortised cost	3,469,624	3,450,687

10 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Trade debtors	140,742	80,020
Amounts due from fellow group undertakings	82,964	84,568
Other debtors	1,633	-
Prepayments and accrued income	10,445	5,503
	235,784	170,091

11 Creditors: amounts falling due within one year

		2016	2015
	Note	£	£
Bank loans and overdrafts	12	1,460	4,294
Trade creditors		17,924	4,744
Amounts due to group undertakings		3,450,217	3,441,476
Corporation tax		14,699	24,135
Other taxation and social security		6,611	6,410
Other creditors		23	173
Accruals and deferred income		64,088	40,859
		3,555,022	3,522,091

12 Loans and overdrafts

	2016	2015
	£	£
Bank overdrafts	1,460	4,294
Payable within one year	1,460	4,294

Bank overdrafts are secured by a debenture and cross guarantees over the company's and other group member's assets.

13 Share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100

14 Financial commitments, guarantees and 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 £23,873,050 by first legal charge over the assets of the company.

15 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 was Mr J M Patel, by virtue of his 100% shareholding in the parent company.

16 Related party transactions

During the year Design & Construct (London) Ltd charged property development costs of £35,442 (2015 - £Nil), repairs and maintenance costs of £49,912 (2015 - £18,045) and fixtures and fittings totalling £23,514 (2015 - £nil). This company is under the control of the director, Mr J M Patel.

Included within amounts due to group undertakings is £3,439,559 (2015 - £3,430,812) due to Abbey Total Care Group Ltd.

17 Cash generated from operations

	2016	2015
	£	£
Profit for the year after tax	114,367	256,088
Adjustments for:		
Taxation charged	14,699	24,135
Finance costs	45,462	-
Depreciation and impairment of tangible fixed assets	29,507	31,107
Reversal of freehold property impairment	(29,102)	(100,151)
Movements in working capital:		
(Increase)/decrease in debtors	(65,693)	11,139
Increase/(decrease) in creditors	45,201	(232,252)
Cash generated from/(absorbed by) operations	154,441	(9,934)