

Althea Healthcare Limited
Abbreviated accounts
For the year ended
30 September 2014

Company Registration Number 06321545

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Althea Healthcare Limited

Abbreviated accounts

Year ended 30 September 2014

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Althea Healthcare Limited

Company information

The board of directors

Mr I S Jarvis
Mr J Webb
Mr C D Thayan
Mr N J Cherry
Ms S C Thayanandarajah
Mr V Thayanandarajah

Company secretary

Mr I S Jarvis

Registered office

Silk Cutters House
School Road
Lowestoft
Suffolk
NR33 9NA

Auditor

Lovewell Blake LLP
Chartered Accountants
Statutory Auditor
Excelsior House
9 Quay View Business Park
Barnards Way
Lowestoft
NR32 2HD

Althea Healthcare Limited

Strategic report

Year ended 30 September 2014

The Directors have pleasure in presenting their strategic report relating to the financial statements of the company for the year ended 30 September 2014.

The principal activity of the company during the period was that of residential care for older people and mental health care.

Events during the year;

Our main objective in the current financial year was to continue to successfully build on what we have achieved during the previous year.

We continue to trade under the brand name 'Kingsley Healthcare', which is regarded as a well run mid size operator in the UK.

Our focus continues to be in the highly depended dementia and nursing area in which we have invested heavily and to make sure that we are able to recoup a reasonable level of cost and make sufficient return to shareholders in the privately funded, and also the CHC funded clientele market.

We continue to invest in our homes to ensure we remain adaptive to the changing requirement of the care industry, compliance requirement and to greater extent future proofing our businesses.

We have been prudently reviewing our cost base to make sure this is aligned to the income we are able to sustain.

The risk to our business include the funding constraints from local authorities and NHS alike, the compliance needs, the changes to the health and safety regulations, ensuring that we contain and hedge against the rising operating cost.

We have an excellent management team that respond proactively to the changes in the industry and economic climate.

Signed by order of the directors



Mr I S Jarvis
Company Secretary

Approved by the directors on 22 Feb 2015

Althea Healthcare Limited

Directors' report

Year ended 30 September 2014

The directors present their report and the financial statements of the company for the year ended 30 September 2014.

Results and dividends

The profit for the year, after taxation, amounted to £226,478. The directors have not recommended a dividend.

Directors

The directors who served the company during the year were as follows:

Mr I S Jarvis
Mr J Webb
Ms M J Masters
Mr C D Thayan
Mr W Darshana
Mrs S Ferguson
Mrs D A Edwards
Mr N J Cherry
Ms S C Thayanandarajah
Mr V Thayanandarajah

Mr C D Thayan was appointed as a director on 14 July 2014.

Ms M J Masters retired as a director on 13 May 2014.
Mr W Darshana retired as a director on 13 May 2014.
Mrs S Ferguson retired as a director on 13 May 2014.
Mrs D A Edwards retired as a director on 13 May 2014.
Mr W Darshana was appointed as a director on 12 December 2014.
Mrs S Ferguson was appointed as a director on 12 December 2014.
Mrs D A Edwards was appointed as a director on 12 December 2014.

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 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 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;
- 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.

Althea Healthcare Limited

Directors' report *(continued)*

Year ended 30 September 2014

Donations

During the year the company made the following contributions:

	2014 £	2013 £
Charitable	<u>752</u>	<u>11,735</u>

Strategic report

The company has prepared a strategic report in accordance with section 414C of the Companies Act 2006.

Auditor

Lovewell Blake LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
Silk Cutters House
School Road
Lowestoft
Suffolk
NR33 9NA

Signed by order of the directors



Mr I S Jarvis
Company Secretary

Approved by the directors on 22nd June 2015

Althea Healthcare Limited

Independent auditor's report to Althea Healthcare Limited

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 6 to 21, together with the financial statements of Althea Healthcare Limited for the year ended 30 September 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Paul Briddon FCA BSc (Senior Statutory Auditor)
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor
Lowestoft
25 June 2015

Althea Healthcare Limited

Abbreviated profit and loss account

Year ended 30 September 2014

	Note	2014 £	2013 £
Turnover		2,506,057	2,357,362
Cost of Sales and Other operating income		(1,756,123)	(1,637,786)
Administrative expenses		(383,661)	(465,284)
Operating profit	2	366,273	254,292
Interest receivable		20,404	29,692
Interest payable and similar charges	5	(75,110)	(199,715)
Profit on ordinary activities before taxation		311,567	84,269
Tax on profit on ordinary activities	6	(85,089)	(34,480)
Profit for the financial year		<u>226,478</u>	<u>49,789</u>

All of the activities of the company are classed as continuing.

The notes on pages 10 to 21 form part of these abbreviated accounts.

Althea Healthcare Limited

Statement of total recognised gains and losses

Year ended 30 September 2014

	2014 £	2013 £
Profit for the financial year attributable to the shareholders	226,478	49,789
Unrealised profit on revaluation of certain fixed assets	108,649	—
Total gains and losses recognised since the last annual report	<u>335,127</u>	<u>49,789</u>

The notes on pages 10 to 21 form part of these abbreviated accounts.

Althea Healthcare Limited


Abbreviated balance sheet

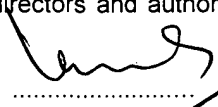
30 September 2014

	Note	2014 £	2013 £
Fixed assets			
Intangible assets	7	160,001	171,251
Tangible assets	8	<u>7,148,213</u>	<u>7,028,135</u>
		7,308,214	7,199,386
Current assets			
Debtors	9	625,653	1,565,571
Cash in hand		<u>800</u>	<u>500</u>
		626,453	1,566,071
Creditors: Amounts falling due within one year	10	<u>(1,037,539)</u>	<u>(1,687,139)</u>
Net current liabilities		(411,086)	(121,068)
Total assets less current liabilities		6,897,128	7,078,318
Creditors: Amounts falling due after more than one year	11	(2,978,463)	(3,532,849)
Provisions for liabilities			
Deferred taxation	13	<u>(75,356)</u>	<u>(37,287)</u>
		<u>3,843,309</u>	<u>3,508,182</u>
Capital and reserves			
Called-up equity share capital	17	10,000	10,000
Revaluation reserve	18	3,212,146	3,155,413
Profit and loss account	19	<u>621,163</u>	<u>342,769</u>
Shareholders' funds	20	<u>3,843,309</u>	<u>3,508,182</u>

These abbreviated accounts have been prepared in accordance with the special provisions of section 445(3) Companies Act 2006 in regard to medium-sized companies.

These abbreviated accounts were approved by the directors and authorised for issue on 23rd Sep 2015 and are signed on their behalf by:


Mr I S Jarvis


Mr V Thayanandarajah

Company Registration Number: 06321545

The notes on pages 10 to 21 form part of these abbreviated accounts.

Althea Healthcare Limited

Cash flow statement

Year ended 30 September 2014

	Note	2014 £	2013 £
Net cash inflow from operating activities		1,359,814	350,022
Returns on investments and servicing of finance			
Interest received		20,404	29,692
Interest paid		(74,335)	(199,715)
Interest element of hire purchase		(775)	—
Net cash outflow from returns on investments and servicing of finance		(54,706)	(170,023)
Taxation		(47,020)	(36,481)
Capital expenditure			
Payments to acquire tangible fixed assets		(197,943)	(63,379)
Net cash outflow from capital expenditure		(197,943)	(63,379)
Cash inflow before financing		1,060,145	80,139
Financing			
Repayment of other loans		(400,000)	—
Repayment of bank loans		(223,065)	(223,065)
Repayment of amounts owed to group undertakings		(411,118)	57,344
Capital element of hire purchase		81,030	—
Net cash outflow from financing		(953,153)	(165,721)
Increase/(decrease) in cash	21	106,992	(85,582)
Reconciliation of operating profit to net cash inflow from operating activities			
		2014 £	2013 £
Operating profit		366,273	254,292
Amortisation		11,250	11,250
Depreciation		186,514	184,940
Decrease/(increase) in debtors		939,918	(212,003)
(Decrease)/increase in creditors		(144,141)	111,543
Net cash inflow from operating activities		1,359,814	350,022

The notes on pages 10 to 21 form part of these abbreviated accounts.

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

Turnover

The turnover shown in the profit and loss account represents the amount of goods and services provided during the year.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its useful economic life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years. Useful economic lives are reviewed at the end of each reporting period and revised if necessary, subject to the constraint that the revised life shall not exceed 20 years from the date of acquisition. The carrying amount at the date of revision is depreciated over the revised estimate of remaining useful economic life.

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:

Goodwill - Over 20 years

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Freehold Property	-	2% Straight Line
Fixtures & Fittings	-	20% Straight Line
Computer Equipment	-	20% Straight Line

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

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.

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

1. Accounting policies *(continued)*

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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. Operating profit

Operating profit is stated after charging:

	2014	2013
	£	£
Amortisation of intangible assets	11,250	11,250
Depreciation of owned fixed assets	183,670	184,940
Depreciation of assets held under hire purchase agreements	2,844	-
Auditor's remuneration		
- as auditor	3,810	3,720

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

3. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2014	2013
	No	No
Number of direct staff	90	91
Number of administrative staff	2	2
Number of management staff	7	9
	<u>99</u>	<u>102</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	1,393,365	1,322,579
Social security costs	96,156	83,747
Other pension costs	2,250	-
	<u>1,491,771</u>	<u>1,406,326</u>

4. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Remuneration receivable	61,175	67,460
Value of company pension contributions to money purchase schemes	2,250	-
	<u>63,425</u>	<u>67,460</u>

5. Interest payable and similar charges

	2014	2013
	£	£
Interest payable on bank borrowing	56,188	172,004
Finance charges	775	-
Other similar charges payable	18,147	27,711
	<u>75,110</u>	<u>199,715</u>

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

6. Taxation on ordinary activities

(a) Analysis of charge in the year

	2014 £	2013 £
Current tax:		
Corporation tax	-	-
Group relief	47,020	36,481
Total current tax	47,020	36,481
Deferred tax:		
Origination and reversal of timing differences (note 13)		
Capital allowances	38,069	(2,001)
Tax on profit on ordinary activities	85,089	34,480

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2013 - 20%).

	2014 £	2013 £
Profit on ordinary activities before taxation	311,567	84,269
Profit on ordinary activities by rate of tax	62,313	16,854
Depreciation in excess of capital allowances	(16,093)	19,553
Disallowable expenses	800	74
Total current tax (note 6(a))	47,020	36,481

7. Intangible fixed assets

	Goodwill £
Cost	
At 1 October 2013 and 30 September 2014	225,000
Amortisation	
At 1 October 2013	53,749
Charge for the year	11,250
At 30 September 2014	64,999
Net book value	
At 30 September 2014	160,001
At 30 September 2013	171,251

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

8. Tangible fixed assets

	Freehold Property £	Fixtures, Fittings and Equipment £	Computer Equipment £	Total £
Cost or valuation				
At 1 October 2013	7,044,834	395,360	21,048	7,461,242
Additions	4,482	193,461	—	197,943
Revaluation	(161,218)	—	—	(161,218)
At 30 September 2014	<u>6,888,098</u>	<u>588,821</u>	<u>21,048</u>	<u>7,497,967</u>
Depreciation				
At 1 October 2013	134,896	282,586	15,625	433,107
Charge for the year	134,971	49,334	2,209	186,514
Revaluation adjustment	(269,867)	—	—	(269,867)
At 30 September 2014	<u>—</u>	<u>331,920</u>	<u>17,834</u>	<u>349,754</u>
Net book value				
At 30 September 2014	<u>6,888,098</u>	<u>256,901</u>	<u>3,214</u>	<u>7,148,213</u>
At 30 September 2013	<u>6,909,938</u>	<u>112,774</u>	<u>5,423</u>	<u>7,028,135</u>

On 30 March 2015 the company's freehold buildings and fixtures and fittings were revalued by Colliers International, Chartered Surveyors on the basis of open market value.

Included in the cost of freehold property is non-depreciable land costing £300,000.

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2014 £	2013 £
Historical cost:		
At 1 October 2013	4,149,044	4,149,044
Cost of additions to revalued assets brought forward	4,482	—
At 30 September 2014	<u>4,153,526</u>	<u>4,149,044</u>
Depreciation:		
At 1 October 2013	394,519	311,538
Charge for year	85,056	82,981
At 30 September 2014	<u>479,575</u>	<u>394,519</u>
Net historical cost value:		
At 30 September 2014	<u>3,673,951</u>	<u>3,754,525</u>
At 1 October 2013	<u>3,754,525</u>	<u>3,837,506</u>

Hire purchase agreements

Included within the net book value of £7,148,213 is £82,462 (2013 - £Nil) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £2,844 (2013 - £Nil).

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

8. Tangible fixed assets (continued)

9. Debtors

	2014 £	2013 £
Trade debtors	154,521	144,170
Amounts owed by group undertakings	177,094	184,649
Other debtors	269,697	1,192,949
Called up share capital not paid	—	10,000
Prepayments and accrued income	24,341	33,803
	<u>625,653</u>	<u>1,565,571</u>

10. Creditors: Amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts	413,846	520,538
Trade creditors	128,503	104,251
Amounts owed to group undertakings	47,020	458,138
PAYE and social security	29,128	22,510
Hire purchase agreements	12,351	—
Other creditors	319,452	431,274
Accruals and deferred income	87,239	150,428
	<u>1,037,539</u>	<u>1,687,139</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2014 £	2013 £
Bank loans and overdrafts	<u>413,846</u>	<u>520,538</u>

11. Creditors: Amounts falling due after more than one year

	2014 £	2013 £
Other loans	—	400,000
Bank loans and overdrafts	2,909,784	3,132,849
Hire purchase agreements	68,679	—
	<u>2,978,463</u>	<u>3,532,849</u>

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

11. Creditors: Amounts falling due after more than one year (continued)

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2014 £	2013 £
Bank loans	<u>2,909,784</u>	<u>3,132,849</u>

Bank loans and overdrafts are secured by a charge over the freehold properties owned by the company. A debenture over the whole assets of the company is also in place. Interest is charged on the loans at 1.25% above 5 year LIBOR.

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:

	2014 £	2013 £
Bank loans and overdrafts	<u>2,017,524</u>	<u>2,240,589</u>

12. Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows:

	2014 £	2013 £
Amounts payable within 1 year	12,351	-
Amounts payable between 2 to 5 years	49,402	-
Amounts payable after more than 5 years	<u>19,277</u>	-
	<u>81,030</u>	-
Hire purchase agreements are analysed as follows:		
Current obligations	12,351	-
Non-current obligations	<u>68,679</u>	-
	<u>81,030</u>	-

13. Deferred taxation

The movement in the deferred taxation provision during the year was:

	2014 £	2013 £
Provision brought forward	37,287	39,288
Profit and loss account movement arising during the year	<u>38,069</u>	<u>(2,001)</u>
Provision carried forward	<u>75,356</u>	<u>37,287</u>

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

13. Deferred taxation (continued)

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2014		2013	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	75,356	-	37,287	-
Other timing differences	-	341,285	-	419,014
	<u>75,356</u>	<u>341,285</u>	<u>37,287</u>	<u>419,014</u>

No provision for deferred tax has been made on the revaluation of properties as FRS 19 - Deferred Tax does not allow provisions relating to revaluations.

14. Commitments under operating leases

At 30 September 2014 the company had annual commitments under non-cancellable operating leases as set out below.

	Assets other than Land and buildings	
	2014	2013
	£	£
Operating leases which expire:		
Within 1 year	-	968
Within 2 to 5 years	3,525	1,755
After more than 5 years	1,770	-
	<u>5,295</u>	<u>2,723</u>

15. Contingencies

The company is party to a cross guarantee with companies under common control in favour of Coutts & Co.

The bank borrowing of the companies are secured over the freehold properties owned by each company respectively and at the balance sheet date amounted to:

	2014	2013
	£	£
Althea Healthcare Properties Limited	424,520	419,604
Hestia Healthcare Limited	2,150,710	2,292,556
Kingsley Care Homes Limited	13,865,971	14,099,698

Included within the tangible fixed assets net book value of £7,148,213 is £9,659 (2013 - £Nil) relating to assets held under hire purchase agreements payable by Regal Healthcare Properties Limited, a company under common control. The depreciation charged to the financial statements in the year in respect of such assets amounted to £2,415 (2013 - £Nil).

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

16. Related party transactions

The company entered into loan transactions with related companies in which Mr V Thayanandarajah is a director.

The company has taken advantage of the exemption within FRS8 not to disclose transactions with other wholly owned group undertakings, on the basis that the company is a wholly owned subsidiary and the parent company prepares consolidated accounts.

The balances owed to the company at the 30 September 2014 are as follows:

	2014 £	2013 £
Acanthus Health Care Limited	-	330,366
Acceptus Healthcare Limited	-	110,116
Althea Investments Limited	126,657	126,657
Country Retirement & Nursing Homes Limited	-	255,326
C E Aviation UK Limited	5,055	77,319
Hestia Healthcare Limited	-	365
Hestia Healthcare Properties Limited	-	1,192
Kingsley Care Homes Limited	-	108,910
Regal Healthcare Holdings Limited	19,500	19,126
Regal Healthcare Properties Limited	-	114,410

In respect of the loans to Acanthus Healthcare Limited and Acceptus Healthcare Limited, interest has been charged amounting to £20,241 (2013: 26,494).

The balances owed by the company at the 30 September 2014 are as follows:

	2014 £	2013 £
Acceptus Healthcare Limited	-	510
Country Retirement & Nursing Homes Limited	297,165	208,882
Hestia Healthcare Limited	-	3,613
Kingsley Care Homes Limited	-	51,761
Regal Healthcare Properties Limited	-	160,460

During the year the company made purchases amounting to £8,316 (2013: £30,300) from C E Aviation UK Limited, a company in which Mr V Thayanandarajah is a director. As at 30 September 2014 the company owed C E Aviation UK Limited £Nil (2013: £Nil).

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

17. Share capital

Allotted and called up:

	2014		2013	
	No	£	No	£
Ordinary A Shares shares of £1 each	7,200	7,200	7,200	7,200
Ordinary B Shares shares of £1 each	2,800	2,800	2,800	2,800
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows:

	2014	2013
	£	£
Ordinary A Shares shares	7,200	-
Ordinary B Shares shares	2,800	-
	<u>10,000</u>	<u>-</u>

Ordinary A & Ordinary B shares rank pari passu in all respects.

In respect of the Ordinary B shares the holder must be either an employee or a consultant providing services to the company under contract. Upon any person holding B Shares of the company ceasing to be an employee or contracted consultant of the company, that person shall forthwith transfer the B Shares to the company or its nominee at market value and all rights and benefits attaching to such shares shall cease immediately upon termination of such employment without prejudice to any accrued entitlement to accrued dividends declared prior thereto.

18. Revaluation reserve

	2014	2013
	£	£
Balance brought forward	3,155,413	3,207,338
Revaluation of fixed assets	108,649	-
Transfers to profit and loss account	(51,916)	(51,925)
Balance carried forward	<u>3,212,146</u>	<u>3,155,413</u>

19. Profit and loss account

	2014	2013
	£	£
Balance brought forward	342,769	241,055
Profit for the financial year	226,478	49,789
Transfer from revaluation reserve	51,916	51,925
Balance carried forward	<u>621,163</u>	<u>342,769</u>

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

20. Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	226,478	49,789
Other net recognised gains and losses	108,649	—
Transfer from revaluation reserve	51,916	51,925
Transfers to profit and loss account	(51,916)	(51,925)
Net addition to shareholders' funds	335,127	49,789
Opening shareholders' funds	3,508,182	3,458,393
Closing shareholders' funds	<u>3,843,309</u>	<u>3,508,182</u>

21. Reconciliation of net cash flow to movement in net debt

	2014 £	2013 £
Increase/(decrease) in cash in the period	106,992	(85,582)
Net cash outflow from other loans	400,000	—
Net cash outflow from bank loans	223,065	223,065
Net cash outflow from/(inflow) from amounts owed to group undertakings	411,118	(57,344)
Cash outflow in respect of hire purchase	<u>(81,030)</u>	<u>—</u>
	1,060,145	80,139
Change in net debt	1,060,145	80,139
Net debt at 1 October 2013	(4,511,025)	(4,591,164)
Net debt at 30 September 2014	<u>(3,450,880)</u>	<u>(4,511,025)</u>

22. Analysis of changes in net debt

	At 1 Oct 2013 £	Cash flows £	At 30 Sep 2014 £
Net cash:			
Cash in hand and at bank	500	300	800
Overdrafts	<u>(297,473)</u>	<u>106,692</u>	<u>(190,781)</u>
	(296,973)	106,992	(189,981)
Debt:			
Debt due within 1 year	(681,203)	411,118	(270,085)
Debt due after 1 year	<u>(3,532,849)</u>	<u>623,065</u>	<u>(2,909,784)</u>
Hire purchase agreements	—	<u>(81,030)</u>	<u>(81,030)</u>
	(4,214,052)	953,153	(3,260,899)
Net debt	<u>(4,511,025)</u>	<u>1,060,145</u>	<u>(3,450,880)</u>

Althea Healthcare Limited

Notes to the abbreviated accounts

Year ended 30 September 2014

23. Ultimate parent company

The ultimate parent company of this company is Althea Healthcare (Holdings) Limited which is incorporated in England.