

**ABI DEVELOPMENTS 3 LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2013**

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COMPANIES HOUSE

**FERGUSON MAIDMENT & CO.**

Chartered Accountants & Statutory Auditor  
167 Fleet Street  
London  
EC4A 2EA

# **ABI DEVELOPMENTS 3 LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2013**

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**ABI DEVELOPMENTS 3 LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

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|                          |   |
|--------------------------|---|
| <b>The director</b>      | Mr R Dhanani  |
| <b>Company secretary</b> | Mrs N Coveney   |
| <b>Registered office</b> | 167 Fleet Street<br>London<br>EC4A 2EA  |
| <b>Auditor</b>           | Ferguson Maidment & Co.<br>Chartered Accountants<br>& Statutory Auditor<br>167 Fleet Street<br>London<br>EC4A 2EA |
| <b>Bankers</b>           | Bank of Ireland<br>20 Berkeley Square<br>London<br>W1J 6LL  |

# **ABI DEVELOPMENTS 3 LIMITED**

## **DIRECTOR'S REPORT**

**YEAR ENDED 31 DECEMBER 2013**

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The director presents his report and the financial statements of the company for the year ended 31 December 2013.

### **PRINCIPAL ACTIVITIES**

During the year the company operated as a specialist residential care home.

### **DIRECTOR**

The director who served the company during the year was as follows:

Mr R Dhanani

### **GOING CONCERN**

The company has considerable financial resources and as a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

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 annual financial statements.

### **AUDITOR**

Ferguson Maidment & Co. are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

The director at the date of the approval of this report confirms that:

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

# **ABI DEVELOPMENTS 3 LIMITED**

## **DIRECTOR'S REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2013**

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### **SMALL COMPANY PROVISIONS**

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

Registered office:  
167 Fleet Street  
London  
EC4A 2EA

Signed by

A handwritten signature in black ink, consisting of a large, stylized loop followed by a long horizontal stroke.

**RAHIM DHANANI**  
Director

Approved by the director on 30 May 2014

**ABI DEVELOPMENTS 3 LIMITED**  
**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**  
**YEAR ENDED 31 DECEMBER 2013**

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The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

# **ABI DEVELOPMENTS 3 LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABI DEVELOPMENTS 3 LIMITED**

**YEAR ENDED 31 DECEMBER 2013**

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We have audited the financial statements of ABI Developments 3 Limited for the year ended 31 December 2013 on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR**

As explained more fully in the Director's Responsibilities Statement set out on page 4, the director is 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 director; 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 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

# **ABI DEVELOPMENTS 3 LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABI DEVELOPMENTS 3 LIMITED *(continued)***

**YEAR ENDED 31 DECEMBER 2013**

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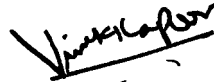
### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

### **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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report.



VIVEK KAPOOR (Senior Statutory Auditor)

For and on behalf of  
FERGUSON MAIDMENT & CO.  
Chartered Accountants  
& Statutory Auditor

167 Fleet Street  
London  
EC4A 2EA

30 May 2014



# ABI DEVELOPMENTS 3 LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2013

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|   | Note     | 2013<br>£             | 2012<br>£              |
|---|----------|-----------------------|------------------------|
| <b>TURNOVER</b>   |          | <b>1,553,872</b>      | <b>1,227,117</b>       |
| Cost of sales   |          | <u>1,052,360</u>      | <u>1,068,341</u>       |
| <b>GROSS PROFIT</b>   |          | <b>501,512</b>        | <b>158,776</b>         |
| Administrative expenses   |          | <u>150,697</u>        | <u>92,754</u>          |
| <b>OPERATING PROFIT</b>   | <b>2</b> | <b>350,815</b>        | <b>66,022</b>          |
| Interest receivable   |          | 23                    | 4                      |
| Interest payable and similar charges                            |          | <u>(95,929)</u>       | <u>(98,947)</u>        |
| <b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |          | <b>254,909</b>        | <b>(32,921)</b>        |
| Tax on profit/(loss) on ordinary activities                     |          | 3                     | —                      |
| <b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>                     |          | <u><b>254,906</b></u> | <u><b>(32,921)</b></u> |

The notes on pages 10 to 13 form part of these financial statements.

**ABI DEVELOPMENTS 3 LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**YEAR ENDED 31 DECEMBER 2013**

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|  | 2013<br>£               | 2012<br>£              |
|--|-------------------------|------------------------|
| Profit/(Loss) for the financial year<br>attributable to the shareholders | 254,906                 | (32,921)               |
| Unrealised profit on revaluation of certain fixed assets                 | 2,864,528               | –                      |
| Unrealised profit on revaluation<br>of tangible fixed assets:            |                         |                        |
| Fixtures & Fittings  | <u>61,875</u>           | <u>–</u>               |
| Total gains and losses recognised since the last annual<br>report        | <u><u>3,181,309</u></u> | <u><u>(32,921)</u></u> |

The notes on pages 10 to 13 form part of these financial statements.

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# ABI DEVELOPMENTS 3 LIMITED

## BALANCE SHEET

31 DECEMBER 2013

|  | Note | 2013<br>£        | 2012<br>£        |
|--|------|------------------|------------------|
| <b>FIXED ASSETS</b>  |      |                  |                  |
| Tangible assets  | 3    | 6,014,040        | 3,011,288        |
| <b>CURRENT ASSETS</b>  |      |                  |                  |
| Debtors  | 4    | 103,728          | 112,422          |
| Cash at bank and in hand                                       |      | <u>105,588</u>   | <u>81,117</u>    |
|  |      | 209,316          | 193,539          |
| <b>CREDITORS: Amounts falling due within one year</b>          | 5    | <u>345,009</u>   | <u>301,844</u>   |
| <b>NET CURRENT LIABILITIES</b>                                 |      | <u>(135,693)</u> | <u>(108,305)</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      | <u>5,878,347</u> | <u>2,902,983</u> |
| <b>CREDITORS: Amounts falling due after more than one year</b> | 6    | <u>3,349,079</u> | <u>3,555,023</u> |
|  |      | <u>2,529,268</u> | <u>(652,040)</u> |
| <b>CAPITAL AND RESERVES</b>                                    |      |                  |                  |
| Called-up equity share capital                                 | 8    | 100              | 100              |
| Revaluation reserve  | 9    | 2,926,402        | –                |
| Profit and loss account  | 10   | <u>(397,234)</u> | <u>(652,140)</u> |
| <b>SHAREHOLDERS' FUNDS/(DEFICIT)</b>                           |      | <u>2,529,268</u> | <u>(652,040)</u> |

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved and signed by the director and authorised for issue on 30 May 2014.



RAHIM DHANANI  
Director

Company Registration Number: 06473794

The notes on pages 10 to 13 form part of these financial statements.

**ABI DEVELOPMENTS 3 LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

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**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, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year.

**Fixed assets**

All fixed assets are initially recorded at cost.

**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 Property   | - | 2% straight line on depreciable amount |
| Fixtures & Fittings | - | 25% straight line                      |
| Motor Vehicles      | - | 25% straight line                      |

**Financial instruments**

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 entity after deducting all of its financial liabilities.

**Capitalisation of finance costs**

Finance charges attributable to the funds used to finance the construction of the new residential nursing homes are capitalised and added to the cost of freehold property.

**2. OPERATING PROFIT**

Operating profit is stated after charging:

|                                    | 2013<br>£    | 2012<br>£    |
|------------------------------------|--------------|--------------|
| Director's remuneration            | —            | —            |
| Depreciation of owned fixed assets | 77,772       | 62,078       |
| Loss on disposal of fixed assets   | —            | 1,216        |
| Auditor's fees                     | <u>3,900</u> | <u>3,000</u> |

**ABI DEVELOPMENTS 3 LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**3. TANGIBLE FIXED ASSETS**

|                            | Freehold<br>Property<br>£ | Fixtures &<br>Fittings<br>£ | Motor<br>Vehicles<br>£ | Total<br>£       |
|----------------------------|---------------------------|-----------------------------|------------------------|------------------|
| <b>COST OR VALUATION</b>   |                           |                             |                        |                  |
| At 1 January 2013          | 3,022,381                 | 79,773                      | –                      | 3,102,154        |
| Additions                  | 79,678                    | 58,843                      | 15,600                 | 154,121          |
| Revaluation                | 2,759,325                 | –                           | –                      | 2,759,325        |
| <b>At 31 December 2013</b> | <b>5,861,384</b>          | <b>138,616</b>              | <b>15,600</b>          | <b>6,015,600</b> |
| <b>DEPRECIATION</b>        |                           |                             |                        |                  |
| At 1 January 2013          | 53,262                    | 36,044                      | 1,560                  | 90,866           |
| Charge for the year        | 51,941                    | 25,831                      | –                      | 77,772           |
| Revaluation adjustment     | (105,203)                 | (61,875)                    | –                      | (167,078)        |
| <b>At 31 December 2013</b> | <b>–</b>                  | <b>–</b>                    | <b>1,560</b>           | <b>1,560</b>     |
| <b>NET BOOK VALUE</b>      |                           |                             |                        |                  |
| <b>At 31 December 2013</b> | <b>5,861,384</b>          | <b>138,616</b>              | <b>14,040</b>          | <b>6,014,040</b> |
| At 31 December 2012        | 2,969,119                 | 43,729                      | (1,560)                | 3,011,288        |

The freehold property, including the associated fixtures and fittings, have been included at open market value. At 31 December 2013, the open market value on a trading basis was revalued at £6,000,000 by Savills plc, Chartered Surveyors.

**4. DEBTORS**

|   | 2013<br>£      | 2012<br>£      |
|---|----------------|----------------|
| Trade debtors   | 78,675         | 81,728         |
| Amounts owed by undertakings in which<br>the company has a participating interest | 16,761         | 16,761         |
| Other debtors   | 8,292          | 13,933         |
|   | <b>103,728</b> | <b>112,422</b> |

**ABI DEVELOPMENTS 3 LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

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**5. CREDITORS: Amounts falling due within one year**

|                                    | 2013           | 2012           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| Bank loans                         | 166,243        | 163,610        |
| Trade creditors                    | 32,126         | 33,426         |
| Corporation tax                    | 3              | —              |
| Other taxation and social security | 35,194         | 16,385         |
| Other creditors                    | 111,443        | 88,423         |
|                                    | <u>345,009</u> | <u>301,844</u> |

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

|            | 2013           | 2012           |
|------------|----------------|----------------|
|            | £              | £              |
| Bank loans | <u>166,243</u> | <u>163,610</u> |

**6. CREDITORS: Amounts falling due after more than one year**

|                                    | 2013             | 2012             |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Bank loans and overdrafts          | 2,659,882        | 2,781,374        |
| Amounts owed to group undertakings | 689,197          | 773,649          |
|                                    | <u>3,349,079</u> | <u>3,555,023</u> |

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

|                           | 2013             | 2012             |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Bank loans and overdrafts | <u>2,659,882</u> | <u>2,781,374</u> |

**7. RELATED PARTY TRANSACTIONS**

Transactions with group companies have not been disclosed in the financial statements as the company is entitled to the exemptions provided by FRSSE, as a wholly owned subsidiary whose results are included within consolidated accounts prepared by the ultimate holding company.

No other transactions with related parties were undertaken such as are required to be disclosed under FRSSE.

**ABI DEVELOPMENTS 3 LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

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**8. SHARE CAPITAL**

**Authorised share capital:**

|                                  | 2013         | 2012         |
|----------------------------------|--------------|--------------|
|                                  | £            | £            |
| 1,000 Ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> |

**Allotted, called up and fully paid:**

|                            | 2013       |            | 2012       |            |
|----------------------------|------------|------------|------------|------------|
|                            | No         | £          | No         | £          |
| Ordinary shares of £1 each | <u>100</u> | <u>100</u> | <u>100</u> | <u>100</u> |

**9. REVALUATION RESERVE**

|                             | 2013             | 2012 |
|-----------------------------|------------------|------|
|                             | £                | £    |
| Revaluation of fixed assets | <u>2,926,402</u> | —    |
| Balance carried forward     | <u>2,926,402</u> | —    |

**10. PROFIT AND LOSS ACCOUNT**

|                                      | 2013             | 2012             |
|--------------------------------------|------------------|------------------|
|                                      | £                | £                |
| Balance brought forward              | (652,140)        | (619,219)        |
| Profit/(loss) for the financial year | <u>254,906</u>   | <u>(32,921)</u>  |
| Balance carried forward              | <u>(397,234)</u> | <u>(652,140)</u> |

**11. ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of Ulysses Healthcare Limited, a company incorporated in England and the ultimate controlling entity is Rahim Dhanani.