

SUNFLEUR LIMITED
Directors' report and financial statements
for the year ended 31 December 2014

Company Registered Number 8002473

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Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2014.

Principal activities

The principal activities of the Company are investment in and management of a specialist care home.

Business review

The Company was created to acquire Badby Park Limited, a company which operates a specialist care home in Northamptonshire. Badby Park Limited was acquired on 29 June 2012.

Badby Park Limited has performed well during the year and was approaching mature occupancy levels at the end of the year.

Results

The loss for the period, after taxation, amounted to £624,000 (2013: £543,000). The Company has net liabilities of £1,596,000 (2013: £972,000).

Dividends

The directors do not recommend payment of a dividend (2013: nil).

Key performance indicators

The Company provides administrative and management services to its subsidiaries and certain other companies in the group. The principal indicator used by the directors to measure and monitor performance is the regular close review of the Company's cost base. In addition the nature and scale of costs incurred is reviewed on a monthly basis.

Future outlook

The directors do not have any current plans to expand the company or its investments. However it will continue to research further the markets in which it currently operates and opportunities will remain under review to add to its portfolio of investments in specialist residential care.

Principal risks and uncertainties

The principal business risks and uncertainties facing the Company arise from economic conditions in the Company's and its subsidiaries' main geographical market of the Central England and Government policy on the funding of specialist care. Economic and consumer confidence may have a significant impact on the group's pricing, occupancy levels and hence profitability.

Directors' report *(continued)*

Directors

The directors who held office during the period were as follows:

Daniel Kay
Timothy Street

No director had any interests in, or rights to subscribe for, shares or debentures in the Company or any fellow subsidiary during the financial period.

The directors benefited from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

Political and charitable contributions

The Company has made no political or charitable donations or incurred any political expenditure during the period.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the 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.

Going concern

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

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



T Street
Director

One Vine Street
London, W1J 0AH
30th September 2015

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the 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 period. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU 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 estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP

1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Independent auditor's report to the members of SUNFLEUR LIMITED

We have audited the financial statements of SUNFLEUR LIMITED for the period ended 31 December 2014 set out on pages 6 to 19. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditor's report to the members of SUNFLEUR LIMITED *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption in not preparing a strategic report.

Johnathan Pass (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 The Embankment

Neville Street

Leeds

LS1 4DW

30 September 2015

Statement of Comprehensive Income
at 31 December 2014

	Note	2014 £000	2013 £000
Income		25	-
Administrative expenses		(193)	(82)
Operating loss	1-2	(168)	(82)
Interest payable and similar charges	3	(456)	(461)
Loss before tax	1-3	(624)	(543)
Taxation	4	-	-
Loss for the period		(624)	(543)

The whole of the comprehensive income for the financial period to 31 December 2014 noted above derives from continuing operations.

There were no material differences between reported surpluses and deficits and historical surpluses and deficits on ordinary activities before and after taxation.

Statement of Financial Position
at 31 December 2014

	Note	2014 £000	2013 £000
Non-current assets			
Investments	5	4,551	4,551
Current assets			
Trade and other receivables	6	1,531	2,248
Total assets		<u>6,082</u>	<u>6,799</u>
Current liabilities			
Other interest-bearing loans and borrowings	8	(162)	(154)
Trade and other payables	7	(3,683)	(3,604)
		<u>(3,845)</u>	<u>(3,758)</u>
Non-current liabilities			
Other interest-bearing loans and borrowings	8	(3,802)	(3,960)
Other financial liabilities	9	(31)	(53)
		<u>(3,833)</u>	<u>(4,013)</u>
Total liabilities		<u>(7,678)</u>	<u>(7,771)</u>
Net liabilities		<u>(1,596)</u>	<u>(972)</u>
Equity			
Share capital		1	1
Retained earnings	11	(1,597)	(973)
Total Equity		<u>(1,596)</u>	<u>(972)</u>

These financial statements were approved by the board of directors on 30th September 2015 and were signed on its behalf by:



T Street
Director

Company registered number: 08002473

The notes on pages 10 to 19 form an integral part of these financial statements.

Statement of Changes in Equity

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 31 December 2012	1	(430)	(429)
Total comprehensive income for the period			
Loss on ordinary activities after tax	-	(543)	(543)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2013	1	(973)	(972)
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period			
Loss on ordinary activities after tax	-	(624)	(624)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2014	1	(1,597)	(1,596)
	<hr/>	<hr/>	<hr/>

The notes on pages 10 to 19 form an integral part of these financial statements.

Statement of Cashflows
for the year ended 31 December 2014

	<i>Note</i>	2014 £000	2013 £000
Cash flows from operating activities			
Loss for the period		(624)	(543)
<i>Adjust for</i>			
Interest payable	3	456	461
		<u>(168)</u>	<u>(82)</u>
Changes in working capital			
Decrease in trade and other receivables	6	718	72
Increase in trade and other payables	7-8	79	538
Net cash generated from operating activities		<u>629</u>	<u>528</u>
Cash flows from investing activities			
Purchase price adjustment		-	34
Net cash generated from investing activities		<u>-</u>	<u>34</u>
Cash flows from financing activities			
Interest paid		(475)	(487)
Loan arrangement fees paid		-	-
Proceeds from new loans	8	-	-
Loan repayment		(154)	(75)
Net cash generated from financing activities		<u>(629)</u>	<u>(562)</u>
Net increase in cash and cash equivalents		<u>-</u>	<u>-</u>
Cash and cash equivalents at 31 December 2013		-	-
Cash and cash equivalents at 31 December 2014		<u>-</u>	<u>-</u>

The notes on pages 10 to 19 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Sunfleur Limited (the "Company") is a company incorporated and domiciled in the UK.

The company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The financial statements were approved by the directors on 2015. The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

1.1 Measurement convention

The financial statements are prepared on a going concern basis and under the historical cost basis.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1.2 Financial reporting standards applicable to the Company for future financial periods

The Company has reviewed the effect of all other amendments to IFRS and interpretations effective for accounting periods beginning on or after 1 January 2014 and does not expect them to have an impact on the financial statements of the Company.

1.3 Going concern

The financial statements have been prepared on the going concern basis which assumes that the Company will be able to continue to trade for the foreseeable future. The company's business activities together with the factors likely to affect its future development, performance and position are set out in the Directors' report. In addition, note 13 to the financial statements includes the group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities and its exposures to credit risk and liquidity risk.

IAS 1 requires the Company to make an assessment of its ability to continue as a going concern when preparing its financial statements. In making this assessment, management have considered the forecasts based on the companies' three year plan for the period 2015 to 2017, which takes account of reasonably possible changes in trading performance.

The Company meets its day to day working capital requirements through the support of Patron Healthcare 1 LP which provides funding to ensure that the group and the Company can meet its liabilities. Patron Healthcare 1 LP has indicated it will continue to provide this support.

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 these financial statements.

Notes (continued)

1 Accounting policies (continued)

1.4 Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

1. they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company ; and
2. where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy.

1.5 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

The company operates a joint bank account with Sunflower Property S.a.r.l a fellow subsidiary of the ultimate parent Sunflower S.a.r.l. The majority of the transactions relate to Sunflower Property S.a.r.l who reflect the bank account in their accounting records. The transactions related to Sunfleur Limited are dealt with through the inter-company loan account with Sunflower Property S.a.r.l.

Investments in equity securities

Investments in subsidiaries are carried at cost less impairment in the parent company accounts.

1.6 Derivative financial instruments and hedging

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Notes (continued)

1 Accounting policies (continued)

1.7 Provisions

A provision is recognised in the Statement of Financial Position when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation that can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-taxation rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

1.8 Segmental reporting

The Company determines and presents its reportable segments based on information that is provided internally to the directors who together fulfil the function of the Company's chief operating decision makers. The Company operates in only one segment – the operation of care homes in the UK.

1.9 Expenses

Financing income and expenses

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the Statement of Comprehensive Income on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.10 Taxation

Tax is on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the year end date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the year end date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.11 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and other highly liquid investments (including money market funds) with original maturities of three months or less and which are subject to an insignificant risk of change in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Notes (continued)

1 Accounting policies (continued)

1.12 Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

1.13 Accounting estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- **Income taxes:** The company is subject to income taxes in the United Kingdom. There are many transactions and calculations for which the ultimate taxation determination is uncertain during the ordinary course of business. Where the final taxation outcome is different from the amount that was initially recorded, the difference is recognised in the period in which such determination is made.
- **Consideration of impairment to the carrying values of assets** has been made and the Directors concluded that the individual carrying values of operating assets are supportable by value in use. The impact of the current economic conditions on the assessment of going concern has been considered.
- **Deferred tax assets** – Represents the extent to which future profits are expected to be offset by losses in the foreseeable future. The Company recognises expected liabilities and assets for tax based on an estimation of the likely taxes affect, which requires judgement as to the ultimate tax determination of certain items.

The areas of judgement made in the process of applying the Company's accounting policies to categorise how transactions are displayed and that have the most significant effect on the amounts recognised in the financial statements are:

- determining the necessary taxation provision where the effect of taxation laws and regulations is unclear.

Notes (continued)

2 Expenses and auditor's remuneration

Included in the loss from operating activities are the following:

Auditor's remuneration:

	2014 £000	2013 £000
Audit of these financial statements	4	3
Other services relating to taxation	1	1
	<u>5</u>	<u>4</u>

The company did not pay any staff or directors emoluments during the current or previous accounting periods.

The cost of the directors emoluments were borne by other related parties.

The costs of audit and taxation services were borne by the company's subsidiary, Badby Park Limited.

3 Interest payable and other charges

	2014 £000	2013 £000
Bank interest	479	481
Losses on derivatives treated as fair value hedging instruments (refer note 9)	(22)	(20)
	<u>456</u>	<u>461</u>

4 Taxation

Recognised in the Statement of Comprehensive Income

	2014 £000	2013 £000
Current tax expense	-	-
Deferred tax expense	-	-
	<u>-</u>	<u>-</u>
Total tax expense	<u>-</u>	<u>-</u>

Trading losses of £973,805 are available to offset against future trading profits.

Reductions in the Corporation tax rates to 21% from 1 April 2014 and 20% from 1 April 2015 were substantially enacted on 2 July 2013. Deferred tax assets in respect of timing differences are expected to be recoverable against future taxable profits and are recognised at 20% (2013: 20%).

Reconciliation of effective tax rate

	2014 £000	2013 £000
Loss for the period	(624)	(543)
	<u>(624)</u>	<u>(543)</u>
Loss excluding taxation	(624)	(543)
Tax using the UK corporation tax rate of 20% (2013: 20 %)	(121)	(107)
Current period losses for which no deferred tax asset was recognised	121	107
	<u>-</u>	<u>-</u>
Total tax expense (including tax on discontinued operations)	<u>-</u>	<u>-</u>

Notes (continued)

5 Investments

	2014 £000	2013 £000
At 1 January 2014	4,551	4,585
Acquisition of subsidiary	-	-
Reduction in purchase price	-	(34)
At 31 December 2014	4,551	4,551

The company holds the following investments in subsidiary undertakings:

	Country of Incorporation	Class of shares held	Ownership %	Principal activity
Badby Park Limited	UK	Ordinary	100%	Operation of care home

6 Trade and other receivables

	2014 £000	2013 £000
Other debtors	132	132
Amounts due from group companies	1,399	2,116
	1,531	2,248

7 Trade and other payables

	2014 £000	2013 £000
Current		
Trade Creditors	6	-
Amounts owed to a company under common control	21	21
Amounts owed to group companies	3,656	3,583
Accruals and deferred income	-	6
	3,683	3,604

The contractual cashflows of trade creditors and accruals will see these liabilities settled in the next six months.

Amounts owed to related parties and to group companies are short term facilities in accordance with the loan documentation. Management do not expect these to be settled within 12 months as there are no formal repayment terms.

Notes *(continued)*

8 Other interest bearing loans and borrowings

	2014 £000	2013 £000
Current		
Bank loans	162	154

	2014 £000	2013 £000
Non current		
Bank loans	3,802	3,960

Borrowings:

	2014 £000	2013 £000
Amounts owed to external debt holders	3,996	4,150
Loan arrangement fees	(32)	(36)
	3,964	4,114

During 2012, the company together with a related party, Sunflower Property S.a.r.l entered into a joint borrowing facility totalling £10,075,000 with the Bank of Ireland to fund the acquisition of Badby Park Limited. The company borrowed £4,225,000. The facility is secured over the assets of the company and those of Sunflower Property S.a.r.l. During the period the average interest rate charged on the drawn balance was 4.62%. The facility expires in June 2022.

Maturity of financial liabilities

	2014 £000	2013 £000
In less than one year	162	154
In more than one year but not more than five years	719	689
In more than 5 years	3,115	3,307
	3,996	4,150

Notes (continued)

9 Other financial liabilities

	2014 £000	2013 £000
Non current		
Financial liabilities designated as fair value through profit or loss	31	53

Interest rate hedging

Other financial liabilities reflect the mark to market value of an interest rate swap entered into with Bank of Ireland. The company has the following interest rate protection instrument in place:

Principal amount secured £'000	Swap rate	Start date	End date
£4,150	1.1%	July 2012	June 2017

The principal amount of the swap reduces over the term in line with the amortisation profile of the underlying debt.

10 Deferred tax assets and liabilities

Unprovided deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets 2014 £000	Assets 2013 £000
Tax value of loss carry-forwards	319	195

The directors have considered whether these timing differences will reverse or be utilised in the foreseeable future in deciding not to recognise these deferred tax assets.

Notes (continued)

11 Capital and reserves

	Retained earnings	Ordinary shares
	£000	£000
At 31 December 2012 and 1 January 2013	(430)	-
Loss for the period after tax	(543)	-
	<hr/>	<hr/>
At 31 December 2013 and 1 January 2014	(973)	-
Loss for the period after tax	(624)	-
	<hr/>	<hr/>
At 31 December 2014	(1,597)	-
	<hr/> <hr/>	<hr/> <hr/>
Share capital	2014	2013
	£000	£000
Allotted, called up and fully paid		
1,000 ordinary shares of £1	1	1
	<hr/> <hr/>	<hr/> <hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The retained earnings reserve comprises the cumulative net gains and losses recognised earnings in the consolidated statement of comprehensive income.

12 Related parties

Identity of related parties with which the Company has transacted

The Company is part of a group which includes a number of other entities with which it has transacted in the period.

The Company has received funding in the form of interest bearing loans from its immediate parent, Sunflower Holdings S.a.r.l, to finance working capital and the acquisition of its subsidiaries.

The company has made loans to its subsidiary to finance the working capital and the repayment of bank loans arranged by the previous owner.

Other related party transactions

The amounts payable to and receivable from related parties during the period and the balances outstanding at the Statement of Financial Position date were as shown in the table below. Grace Lodge Care Investments S.a.r.l was under common control and ownership until August 2014.

	2014	2013
	£000	£000
Payable to parent – Sunflower Holding S.a.r.l	(3,055)	(3,300)
Payable to group undertakings – Sunflower Property S.a.r.l	(601)	(283)
Receivable from subsidiary – Badby Park Limited	1,399	2,116
Payable to company under common control and ownership – Grace Lodge Care Investments S.a.r.l	-	(21)
	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

13 Financial instruments

Financial risk management policies and objectives

Exposure to credit, interest rate and currency risk arises in the normal course of the Company's business. The Company manages financial risk within its general risk management philosophy and framework.

Throughout the financial period the Company's policy has been that trading in financial instruments is not undertaken.

Liquidity risk

Liquidity is managed on a daily basis by the finance department of the Group. They are responsible for ensuring that the Company has adequate liquidity for all operations, ensuring that the funding mix is appropriate so as to avoid maturity mismatches. The Group manages liquidity risk on behalf of the Company by holding sufficient liquid assets of appropriate quality to ensure that short term funding requirements are covered within prudent limits.

Credit Risk

The Company's credit risks are primarily attributable to bank borrowings. Management has a credit policy in place and the exposures to these credit risks including fixing the interest rate payable on loans through the use of a fixed interest rate swap.

The Company's bank deposits are managed by the Group and are only deposited in and debt securities are only purchased from counterparties which have high credit quality.

Capital Management

The Group defines the capital that it manages as the Group's total equity and net debt balances.

The Group's objectives are to safeguard its ability to continue as a going concern providing returns to shareholders, through the optimisation of the debt and equity balances, and to maintain a strong credit rating and headroom. The Group manages its capital structure and makes appropriate decisions in light of the current economic conditions and strategic objectives of the Group. There has been no change in the objectives, policies or processes with regards to capital management during the year ending 31 December 2014.

The company operates a joint bank account with Sunflower Property S.a.r.l a fellow subsidiary of the ultimate parent Sunflower S.a.r.l. The majority of the transactions relate to Sunflower Property S.a.r.l who reflect the bank account in their accounting records. The transactions related to Sunfleur Limited are dealt with through the inter-company loan account with Sunflower Property S.a.r.l.

14 Contingent liabilities

The Company is party to and has provided certain guarantees in respect of borrowing facilities with Bank of Ireland. The facility is held jointly with a related party, Sunflower Property S.a.r.l and is the subject of covenant tests relating to the trading performance of the company's subsidiary Badby Park Limited. At the year end date no obligations has crystallised under the guarantee. At 31 December 2014 and 31 December 2013 the Group was compliant with all covenants up to the date of the approval of these consolidated financial statements.

15 Ultimate parent company and parent company of larger group

The Company is a subsidiary of Sunflower S.a.r.l, a company incorporated in Luxembourg. The ultimate controlling party is Patron Capital L.P. IV, a Guernsey partnership managed in Guernsey.

The largest group in which the results of the Company are consolidated is that headed by Sunflower Holding S.a.r.l, incorporated in Luxembourg. The consolidated financial statements of this group will be available from Sunflower Holding S.a.r.l, 6 Avenue Pasteur, L-1210, Luxembourg.p