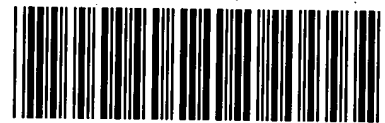


COMPANY REGISTRATION NUMBER 9202115

ATHENA CARE HOMES (UK) LIMITED
FINANCIAL STATEMENTS
31 MARCH 2015

THURSDAY



A4NG63E8

A08

31/12/2015

#255

COMPANIES HOUSE

ATHENA CARE HOMES (UK) LIMITED

STRATEGIC REPORT

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

PRINCIPAL ACTIVITY

The principal activity of the company is that of a holding company controlling a group that manages care homes. The group operates the following homes:

- Amberley Hall Care Home, Kings Lynn, which is a nursing home that provides accommodation, nursing care and support for up to 106 people some of whom may live with dementia or a physical disability
- Goodwins Hall Care Home, Kings Lynn, which is a nursing home that provides accommodation for up to 75 people who may require nursing and/or personal care.

RESULTS AND PERFORMANCE

Two care homes were acquired in September 2014 and the results of the group for the period, as set out on page 7, show a profit on ordinary activities before tax of £463,343. The shareholders' funds of the group total £5,604,385.

At the balance sheet date, the group was operating 2 homes with a total of 181 registered beds. Since acquisition, management has concentrated on improving both the turnover and profitability and this has resulted in a steady increase in both during the period and since.

BUSINESS ENVIRONMENT

The care home market is competitive and highly regulated. The group holds a licence to operate each care home and receives regular inspections from the Care Quality Commission. The group continues to work with the relevant authorities to maintain and improve the high standard of care that management strives to provide.

STRATEGY

As part of its commitment to provide quality care, the group has ambitions and plans to expand its portfolio of homes both by acquisition and new builds.

The focus at each of the group's homes is to create a community that offers activity, independence and choice, giving residents the choice to live their lives the way they really want to. Management is dedicated to developing quality environments and high standards of care. The group is dependent upon attracting and retaining quality nursing and other qualified team members and relies on their professionalism and efficiency in satisfying both the needs of residents and health and safety issues. Training is undertaken to develop the team, deliver high quality relationship-centred care and mitigate operational risk associated with providing care to vulnerable people. By following this strategy, the directors seek to create a thriving, caring and profitable care group.

KEY PERFORMANCE INDICATORS

The group has made significant progress throughout the period in relation to key elements of its strategy. The directors and senior management monitor the financial progress of the group by reference to average occupancy rates and average weekly fee income per resident. During the period, the average occupancy rate was 93.3% and the average weekly fee income per resident was £712. The key non-financial indicators are the results of inspections from the Care Quality Commission. These indicate that the group is well regarded and any issues raised are dealt with promptly by management.

ATHENA CARE HOMES (UK) LIMITED

STRATEGIC REPORT *(continued)*

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

PRINCIPAL RISKS AND UNCERTAINTIES

The principal commercial risk that the group faces is loss of its reputation through adverse publicity. The directors have in place arrangements to ensure that standards at each care home are maintained and enhanced through senior management support, the employment and retention of quality team members and the maintenance of high quality facilities.

The principal financial risk to the business is attributable to its bank loans. There is the possibility that bank interest rates increase in future from their historically low levels. The group's bank loans are subject to financial covenants and the directors continue to monitor these to ensure that they are complied with.

The group's credit risk is primarily attributable to its trade debtors. Privately-funded residents pay a deposit on commencement and all credit risk, both publicly and privately-funded, is managed by monitoring payments against contractual agreements. The group monitors cash flow as part of its day to day control procedures. The board considers cash flow projections on a regular basis and ensures that appropriate facilities are available to be drawn upon as necessary.

FUTURE DEVELOPMENTS

The directors are confident about the continuing financial performance of the business. The directors seek opportunities to expand the group's portfolio of care homes, both by acquisition and new builds.

Signed on behalf of the directors



M Agarwal
Director and Secretary

Approved by the directors on 9 December 2015

ATHENA CARE HOMES (UK) LIMITED

DIRECTORS' REPORT

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

The directors present their report and the financial statements of the group for the period from 3 September 2014 to 31 March 2015.

RESULTS AND DIVIDENDS

The profit for the period, after taxation, amounted to £326,385. The directors have not recommended a dividend.

RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management objectives and policies are discussed in the Strategic Report on pages 1 to 2.

DIRECTORS

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

Mr U Agarwal
Mrs M Agarwal

Mr U Agarwal was appointed as a director on 3 September 2014.
Mrs M Agarwal was appointed as a director on 3 September 2014.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial period. 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 the group and of the profit or loss of the group 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 group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ATHENA CARE HOMES (UK) LIMITED

DIRECTORS' REPORT *(continued)*

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

STRATEGIC REPORT

A review of the business and likely future developments are discussed in the Strategic Report on pages 1 to 2.

AUDITOR

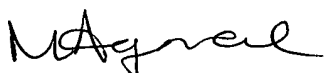
TJ Saxon is deemed to be re-appointed under section 487(2) of the Companies Act 2006.

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

- so far as each director is aware, there is no relevant audit information of which the group'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:
Unit 2, Rima House,
A13 Approach
Ripple Road
Barking
Essex
IG11 0RH

Signed on behalf of the directors



M Agarwal
Director and Secretary

Approved by the directors on 9 December 2015

ATHENA CARE HOMES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ATHENA CARE HOMES (UK) LIMITED

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

I have audited the group and parent company financial statements of Athena Care Homes (UK) Limited for the period from 3 September 2014 to 31 March 2015 which comprise the Profit and Loss Account, Group Balance Sheet and Company Balance Sheet, Group Cash Flow Statement and the related notes. 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).

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. My audit work has been undertaken so that I might state to the company's shareholders those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for my audit work, for this report, or for the opinions I 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. My 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 me 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 group's and the parent 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, I 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 me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

OPINION ON FINANCIAL STATEMENTS

In my opinion the financial statements:

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

ATHENA CARE HOMES (UK) LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ATHENA CARE HOMES (UK) LIMITED *(continued)*

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

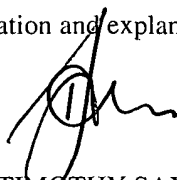
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH I AM REQUIRED TO REPORT BY EXCEPTION

I have nothing to report in respect of the following matters where the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for my audit have not been received from branches not visited by me; or
- the parent company 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
- I have not received all the information and explanations I require for my audit.



TIMOTHY SAXON (Senior Statutory Auditor)
For and on behalf of TJ SAXON
Chartered Accountant & Statutory Auditor

43 Hagley Road
Stourbridge
West Midlands
DY8 1QR

9 December 2015

ATHENA CARE HOMES (UK) LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

	Note	Period from 3 September 2014 to 31 March 2015 £
GROUP TURNOVER	2	3,107,962
Cost of sales		<u>177,017</u>
GROSS PROFIT		2,930,945
Administrative expenses		<u>2,321,038</u>
OPERATING PROFIT	3	609,907
Interest receivable		379
Interest payable and similar charges	5	<u>(146,943)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		463,343
Tax on profit on ordinary activities	6	<u>136,958</u>
PROFIT FOR THE FINANCIAL PERIOD	7	<u>326,385</u>

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

The group has no recognised gains or losses other than the results for the period as set out above.

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

The notes on pages 12 to 21 form part of these financial statements.

ATHENA CARE HOMES (UK) LIMITED

GROUP BALANCE SHEET

31 MARCH 2015

	Note	31 March 2015 £	£
FIXED ASSETS			
Tangible assets	8		16,012,192
CURRENT ASSETS			
Debtors	10	449,110	
Cash at bank and in hand		<u>1,713,825</u>	
		2,162,935	
CREDITORS: Amounts falling due within one year	11	<u>1,502,002</u>	
NET CURRENT ASSETS			<u>660,933</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,673,125</u>
CREDITORS: Amounts falling due after more than one year	12		10,932,390
PROVISIONS FOR LIABILITIES			
Deferred taxation	14		<u>136,350</u>
			<u>5,604,385</u>
CAPITAL AND RESERVES			
Called up equity share capital	17		100
Other reserves	18		5,277,900
Profit and loss account	18		<u>326,385</u>
SHAREHOLDERS' FUNDS	19		<u>5,604,385</u>

These accounts were approved by the directors and authorised for issue on 9 December 2015, and are signed on their behalf by:



U Agarwal
Director

Company Registration Number: 9202115

The notes on pages 12 to 21 form part of these financial statements.

ATHENA CARE HOMES (UK) LIMITED

COMPANY BALANCE SHEET

31 MARCH 2015

	Note	31 March 2015 £	£
FIXED ASSETS			
Investments	9		13,150,233
CURRENT ASSETS			
Debtors	10	3,398,525	
Cash at bank		481,623	
		<u>3,880,148</u>	
CREDITORS: Amounts falling due within one year	11	<u>819,908</u>	
NET CURRENT ASSETS			<u>3,060,240</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,210,473</u>
CREDITORS: Amounts falling due after more than one year	12		<u>10,932,390</u>
			<u>5,278,083</u>
CAPITAL AND RESERVES			
Called up equity share capital	17		100
Other reserves	18		5,277,900
Profit and loss account	18		83
SHAREHOLDERS' FUNDS			<u>5,278,083</u>

These accounts were approved by the directors and authorised for issue on 9 December 2015, and are signed on their behalf by:



U Agarwal
Director

Company Registration Number: 9202115

The notes on pages 12 to 21 form part of these financial statements.

ATHENA CARE HOMES (UK) LIMITED

GROUP CASH FLOW STATEMENT

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

	Period from	
	3 September 2014 to	31 March 2015
	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		853,166
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	379	
Interest paid	(146,943)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(146,564)
TAXATION		(159,663)
CAPITAL EXPENDITURE		
Payments to acquire tangible fixed assets	(51,829)	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(51,829)
ACQUISITIONS (note 20)		
Cash paid to acquire subsidiaries	(11,219,587)	
Net cash acquired with subsidiaries	914,972	
NET CASH OUTFLOW FROM ACQUISITIONS		(10,304,615)
CASH OUTFLOW BEFORE FINANCING		(9,809,505)
FINANCING		
Increase in bank loans	11,523,330	
NET CASH INFLOW FROM FINANCING		11,523,330
INCREASE IN CASH		1,713,825

The notes on pages 12 to 21 form part of these financial statements.

ATHENA CARE HOMES (UK) LIMITED

GROUP CASH FLOW STATEMENT

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period from 3 September 2014 to 31 March 2015 £
Operating profit	609,907
Depreciation	204,393
Increase in debtors	(38,009)
Increase in creditors	76,875
Net cash inflow from operating activities	<u>853,166</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	31 March 2015 £
Increase in cash in the period	1,713,825
Net cash inflow from bank loans	<u>(11,523,330)</u>
	(9,809,505)
Change in net debt	(9,809,505)
Net funds at 3 September 2014	—
Net debt at 31 March 2015	<u>(9,809,505)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 3 September 2014 £	Cash flows £	At 31 March 2015 £
Cash in hand and at bank	—	1,713,825	1,713,825
Debt due within 1 year	—	(590,940)	(590,940)
Debt due after 1 year	—	(10,932,390)	(10,932,390)
Net debt	<u>—</u>	<u>(9,809,505)</u>	<u>(9,809,505)</u>

The notes on pages 12 to 21 form part of these financial statements.

ATHENA CARE HOMES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over twenty years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

Turnover from the management of care homes is recognised at the fair value of the consideration receivable for the sale of services provided to external customers during the year in the normal course of business. Turnover is recognised when services are provided to the customer.

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 Buildings	-	2% per annum straight line
Plant & Machinery	-	12.5% per annum straight line
Fixtures & Fittings	-	20% per annum straight line
Equipment	-	20% per annum straight line

Pension costs

The group makes contributions to defined contribution pension schemes for employees. The assets of the schemes are held separately from those of the group. The annual contributions payable are charged to the profit and loss account.

ATHENA CARE HOMES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

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 exception:

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 financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	Period from 3 September 2014 to 31 March 2015 £
United Kingdom	<u>3,107,962</u>

ATHENA CARE HOMES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

3. OPERATING PROFIT

Operating profit is stated after charging:

	Period from 3 September 2014 to 31 March 2015 £
Directors' remuneration	-
Depreciation of owned fixed assets	204,393
Auditor's remuneration - as auditor	<u>4,000</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial period amounted to:

	Period from 3 September 2014 to 31 March 2015 No
Directors	2
Care team members	<u>194</u>
	<u>196</u>

The aggregate payroll costs of the above were:

	Period from 3 September 2014 to 31 March 2015 £
Wages and salaries	1,633,028
Social security costs	84,224
Other pension costs	7,071
	<u>1,724,323</u>

ATHENA CARE HOMES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

4. PARTICULARS OF EMPLOYEES *(continued)*

Both the average number of employees and the payroll costs are in respect of the period from 18 September 2014 to 31 March 2015.

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Period from 3 September 2014 to 31 March 2015 £
Interest payable on bank borrowing	144,899
Other similar charges payable	2,044
	<u>146,943</u>

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

	Period from 3 September 2014 to 31 March 2015 £
Current tax:	
In respect of the period:	
UK Corporation tax based on the results for the period at 21%	101,543
Total current tax	101,543
Deferred tax:	
Origination and reversal of timing differences	35,415
Tax on profit on ordinary activities	<u>136,958</u>

ATHENA CARE HOMES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

6. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 21%.

	Period from 3 September 2014 to 31 March 2015 £
Profit on ordinary activities before taxation	<u>463,343</u>
Profit on ordinary activities by rate of tax	97,302
Expenses not deductible for tax purposes	39,656
Depreciation for period in excess of capital allowances	<u>(35,415)</u>
Total current tax (note 6(a))	<u>101,543</u>

7. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £83.

ATHENA CARE HOMES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

8. TANGIBLE ASSETS

Group	Freehold Land & Buildings £	Plant & Machinery £	Fixtures & Fittings £	Equipment £	Total £
COST					
Additions	–	–	21,072	30,757	51,829
Disposals	–	–	(55,894)	(4,590)	(60,484)
Acquisition of subsidiaries	16,902,886	533,196	438,177	20,614	17,894,873
At 31 March 2015	<u>16,902,886</u>	<u>533,196</u>	<u>403,355</u>	<u>46,781</u>	<u>17,886,218</u>
DEPRECIATION					
Charge for the period	151,062	830	49,679	2,822	204,393
On disposals	–	–	(55,894)	(4,590)	(60,484)
Acquisition of subsidiaries	1,041,312	527,648	151,054	10,103	1,730,117
At 31 March 2015	<u>1,192,374</u>	<u>528,478</u>	<u>144,839</u>	<u>8,335</u>	<u>1,874,026</u>
NET BOOK VALUE					
At 31 March 2015	<u>15,710,512</u>	<u>4,718</u>	<u>258,516</u>	<u>38,446</u>	<u>16,012,192</u>

9. INVESTMENTS

Company	Group companies £
COST	
Additions	13,150,233
At 31 March 2015	<u>13,150,233</u>
NET BOOK VALUE	
At 31 March 2015	<u>13,150,233</u>

The company owns 100% of the share capital of Hallmark Care Homes (Gaywood) Limited and Hallmark Care Homes (Kings Lynn) Limited, each of which trade as care home operators.

In the opinion of the directors, the aggregate value of the company's investment in subsidiary companies is not less than the amount included in the company's balance sheet. The interest in each company referred to above is in respect of ordinary shares and in each case, the percentage referred to is in respect of both the nominal value and voting rights of the share capital.

ATHENA CARE HOMES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

10. DEBTORS

	Group £	Company £
Trade debtors	355,748	–
Amounts owed by group undertakings	–	3,347,357
Corporation tax repayable	–	51,168
Other debtors	16,201	–
Prepayments and accrued income	77,161	–
	<u>449,110</u>	<u>3,398,525</u>

The debtors above include the following amounts falling due after more than one year:

	Group £	Company £
Amounts owed by group undertakings	–	<u>3,347,357</u>

11. CREDITORS: Amounts falling due within one year

	Group £	Company £
Bank loans	590,940	590,940
Trade creditors	142,490	849
Amounts owed to group undertakings	–	226,519
Other creditors including taxation and social security:		
Corporation tax	312,904	–
Other taxation and social security	32,789	–
Other creditors	5,263	1,600
Accruals and deferred income	417,616	–
	<u>1,502,002</u>	<u>819,908</u>

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

	Group £	Company £
Bank loans	<u>590,940</u>	<u>590,940</u>

The bank borrowings are secured by a fixed and floating charge over the company's assets together with those of its subsidiary undertakings.

ATHENA CARE HOMES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

12. CREDITORS: Amounts falling due after more than one year

	Group £	Company £
Bank loans	<u>10,932,390</u>	<u>10,932,390</u>

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

	Group £	Company £
Bank loans	<u>10,932,390</u>	<u>10,932,390</u>

The bank borrowings are secured by a fixed and floating charge over the company's assets together with those of its subsidiary undertakings.

13. CREDITORS - CAPITAL INSTRUMENTS

Creditors include finance capital which is due for repayment as follows:

	Group £	Company £
Amounts repayable:		
In one year or less or on demand	590,940	590,940
In more than one year but not more than two years	590,940	590,940
In more than two years but not more than five years	<u>10,341,450</u>	<u>10,341,450</u>
	<u>11,523,330</u>	<u>11,523,330</u>

14. DEFERRED TAXATION

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

	Group £	Company £
On acquisition of subsidiary undertakings (note 20)	100,935	
Provision for period (note 6(a))	<u>35,415</u>	-
Provision carried forward	<u>136,350</u>	-

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

	Provided £	Unprovided £
Excess of taxation allowances over depreciation on fixed assets	<u>136,350</u>	-

ATHENA CARE HOMES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

15. DERIVATIVES

The group holds financial instruments to finance its operations and manages risk arising from these operations and its sources of finance in accordance with its accounting policies. In addition, various financial instruments such as trade debtors and trade creditors arise directly from the group's operations. Operational and working capital requirements are funded principally out of bank loans, issued share capital and retained profits.

16. RELATED PARTY TRANSACTIONS

On 3 September 2014, two subscriber ordinary shares of £1 each were issued at par for cash to Mr U Agarwal and Mrs M Agarwal. On 18 September 2014, a further 98 ordinary shares of £1 each were issued at par to Mr U Agarwal and Mrs M Agarwal in exchange for the whole of the share capital of Hallmark Care Homes (Gaywood) Limited, in which Mr U Agarwal and Mrs M Agarwal had a material interest. Mr U Agarwal and Mrs M Agarwal are directors and shareholders of the company.

17. SHARE CAPITAL

Allotted, called up and fully paid:

	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

On 3 September 2014, two subscriber ordinary shares of £1 each were issued at par for cash. On 18 September 2014, a further 98 ordinary shares of £1 each were issued at par in exchange for the whole of the share capital of Hallmark Care Homes (Gaywood) Limited. The issued shares have been recorded at par and the difference between the value of the shares acquired and the shares issued has been accounted for within the merger relief reserve (note 18).

18. RESERVES

Group	Merger relief reserve £	Profit and loss account £
Balance brought forward	—	—
Profit for the period	—	326,385
Other movements:		
Increase in merger relief reserve (note 17)	<u>5,277,900</u>	<u>—</u>
Balance carried forward	<u>5,277,900</u>	<u>326,385</u>

ATHENA CARE HOMES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 3 SEPTEMBER 2014 TO 31 MARCH 2015

Company	Merger relief reserve £	Profit and loss account £
Balance brought forward	—	—
Profit for the period	—	83
Other movements:		
Increase in merger relief reserve (note 17)	5,277,900	—
Balance carried forward	<u>5,277,900</u>	<u>83</u>

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 March 2015 £
Profit for the financial period	326,385
New ordinary share capital subscribed (note 17)	100
Increase in merger relief reserve (note 17)	5,277,900
Net addition to shareholders' funds	<u>5,604,385</u>
Closing shareholders' funds	<u>5,604,385</u>

20. ACQUISITIONS

In September 2014, the company acquired the whole of the issued share capital of Hallmark Care Homes (Gaywood) Limited and Hallmark Care Homes (Kings Lynn) Limited. The net assets and liabilities at acquisition were as follows:

	Book value £	Revaluation £	Fair value £
Tangible fixed assets	5,346,196	10,818,560	16,164,756
Debtors	411,101	—	411,101
Cash at bank	914,972	—	914,972
Creditors	(892,307)	—	(892,307)
Deferred tax	(100,935)	—	(100,935)
	<u>5,679,027</u>	<u>10,818,560</u>	<u>16,497,587</u>
Satisfied by:			
Consideration paid - Cash			11,219,587
Consideration paid - Fair value of shares issued			5,278,000
			<u>16,497,587</u>