

Company Registration No. 01006953 (England and Wales)

PRESTIGE NURSING LTD
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

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COMPANIES HOUSE

PRESTIGE NURSING LTD

DIRECTORS AND ADVISERS

Directors

J P Bruce
P Bruce
C L Hunt
D P Jared

Secretary

D P Jared

Company number

01006953

Registered office

Greenview House
5 Manor Road
Wallington
Surrey
SM6 0BW

Registered auditors

Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

PRESTIGE NURSING LTD

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PRESTIGE NURSING LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present the strategic report and financial statements for the year ended 31 December 2013.

Review of the business

The modest increase in sales and gross profit during 2013 reflected the uncertain nature of the market, with healthcare staffing sales volumes into the residential care market falling as local authority cuts began to take hold. At the same time, sales into the privately-funded Homecare and PCT/CCG sectors continued to grow strongly and more than offset declines elsewhere.

Whilst the demand for Homecare continues to grow strongly, the government's decision to address the long term issue of care funding in the Care Bill is to be welcomed. There is still a large degree of uncertainty surrounding eligibility care funding, particularly following the pension changes announced in the 2014 budget. Moreover, there is no sign that the additional costs associated with the clarification of National Minimum Wage rules as well as auto-enrolment pensions are being incorporated yet into CCG or Local Authority commissioning plans, and we see little opportunity for margin growth from our traditional sectors going forward. The increase in revenues from our higher acuity Homecare services and more specialist staffing offerings do offer good opportunities for the future though.

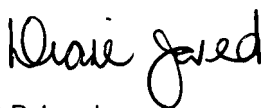
Investment in 2013 focused on reducing marginal costs across the network through a combination of better technology and training. As this program accelerates in 2014 we expect to see real efficiencies being delivered that will allow us to exploit new opportunities far more effectively. The company continues to have ambitious expansion plans, but whilst this may come from a small increase in its branch network, the principal focus is on growing market share locally with a complementary range of high value and distinctive homecare and staffing services.

Group results for 2013 showed an increase in turnover of 1% and gross profit up 3.9%. However, administrative expenses increased by 5.2% which has led to a drop in operating profit by 5%. Group EBITDA decreased slightly from £983k in 2012 to £962k in 2013.

The group's financial position remains strong and debt free. There was a net increase in cash of £87k in 2013, resulting in a year end balance of £727k.

The results reflect a year of consolidation after strong growth in 2012. The Directors are expecting to build on these results and to further strengthen the financial position of the group in 2014.

By order of the board



D P Jared

Secretary

4 September 2014

PRESTIGE NURSING LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and financial statements for the year ended 31 December 2013.

Results and dividends

The consolidated profit and loss account for the year is set out on page 5.

Directors

The following directors have held office since 1 January 2013:

J P Bruce
P Bruce
C L Hunt
D P Jared

Auditors

The auditors, Jacob Cavenagh & Skeet, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

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 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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

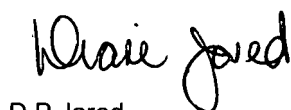
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

By order of the board



D P Jared
Secretary

4 September 2014

PRESTIGE NURSING LTD

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PRESTIGE NURSING LTD

We have audited the group and parent company financial statements (the "financial statements") of Prestige Nursing Ltd for the year ended 31 December 2013 set out on pages 5 to 21. 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 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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, 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 group's and parent company's affairs as at 31 December 2013 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

PRESTIGE NURSING LTD

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF PRESTIGE NURSING LTD

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; 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
- we have not received all the information and explanations we require for our audit.



**Miriam Hickson FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet**

11/09/2014

**Chartered Accountants
Statutory Auditor**

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

PRESTIGE NURSING LTD

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Turnover: group and share of joint ventures		22,700,500	22,550,007
Less: share of joint ventures' turnover		-	(64,053)
Group turnover	2	22,700,500	22,485,954
Cost of sales		(16,632,243)	(16,644,026)
Gross profit		6,068,257	5,841,928
Administrative expenses		(5,362,192)	(5,098,823)
Operating profit	3	706,065	743,105
Share of operating profit/(loss) in joint venture		2,970	(1,874)
Profit on ordinary activities before interest		709,035	741,231
Other interest receivable and similar income		5,360	3,775
Interest payable and similar charges	4	(375)	(452)
Profit on ordinary activities before taxation		714,020	744,554
Tax on profit on ordinary activities	5	(155,177)	(175,192)
Profit on ordinary activities after taxation		558,843	569,362

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

There are no recognised gains and losses other than those passing through the profit and loss account.

PRESTIGE NURSING LTD

BALANCE SHEETS

AS AT 31 DECEMBER 2013

		Group		Company	
	Notes	2013 £	2012 £	2013 £	2012 £
Fixed assets					
Intangible assets	8	456,997	647,466	456,997	647,466
Tangible assets	9	207,553	78,638	202,548	78,638
Investments	10	-	-	502	503
Investments in joint ventures:					
- Share of gross assets		-	14,611	-	-
- Share of gross liabilities		-	(17,581)	-	-
		<u>664,550</u>	<u>723,134</u>	<u>660,047</u>	<u>726,607</u>
Current assets					
Debtors	11	3,425,705	3,133,740	3,314,363	3,019,511
Cash at bank and in hand		726,928	640,098	721,928	635,098
		<u>4,152,633</u>	<u>3,773,838</u>	<u>4,036,291</u>	<u>3,654,609</u>
Creditors: amounts falling due within one year	12	<u>(2,042,833)</u>	<u>(1,987,859)</u>	<u>(1,938,732)</u>	<u>(1,878,907)</u>
Net current assets		<u>2,109,800</u>	<u>1,785,979</u>	<u>2,097,559</u>	<u>1,775,702</u>
Total assets less current liabilities		<u>2,774,350</u>	<u>2,509,113</u>	<u>2,757,606</u>	<u>2,502,309</u>
Provisions for liabilities	13	<u>(21,394)</u>	<u>-</u>	<u>(20,393)</u>	<u>-</u>
		<u>2,752,956</u>	<u>2,509,113</u>	<u>2,737,213</u>	<u>2,502,309</u>
Capital and reserves					
Called up share capital	15	10,000	10,000	10,000	10,000
Profit and loss account	16	2,742,956	2,499,113	2,727,213	2,492,309
Shareholders' funds	17	<u>2,752,956</u>	<u>2,509,113</u>	<u>2,737,213</u>	<u>2,502,309</u>

Approved by the Board and authorised for issue on 4 September 2014



J P Bruce
Director

Company Registration No. 01006953

PRESTIGE NURSING LTD

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

	£	2013 £	£	2012 £
Net cash inflow from operating activities		749,390		857,548
Returns on investments and servicing of finance				
Interest received	5,360	-	3,775	
Interest paid	(375)		(452)	
Net cash inflow for returns on investments and servicing of finance		4,985		3,323
Taxation		(160,344)		(111,998)
Capital expenditure				
Payments to acquire intangible assets	-		(93,305)	
Payments to acquire tangible assets	(192,146)		(55,924)	
Receipts from sales of tangible assets	(55)		114	
Net cash outflow for capital expenditure		(192,201)		(149,115)
Equity dividends paid		(315,000)		(283,500)
Net cash inflow before management of liquid resources and financing		86,830		316,258
Increase in cash in the year		86,830		316,258

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

1	Reconciliation of operating profit to net cash inflow from operating activities		2013	2012	
			£	£	
	Operating profit		706,065	743,105	
	Depreciation of tangible assets		62,588	56,642	
	Amortisation of intangible assets		190,469	184,639	
	Loss on disposal of tangible assets		698	2,398	
	Increase in debtors		(313,001)	(343,989)	
	Increase in creditors within one year		102,571	214,753	
	Net cash inflow from operating activities		749,390	857,548	
2	Analysis of net funds	1 January 2013	Cash flow	Other non-cash changes	31 December 2013
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	640,098	86,830	-	726,928
	Net funds	640,098	86,830	-	726,928
3	Reconciliation of net cash flow to movement in net funds		2013	2012	
			£	£	
	Increase in cash in the year		86,830	316,258	
	Movement in net funds in the year		86,830	316,258	
	Opening net funds		640,098	323,840	
	Closing net funds		726,928	640,098	

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2013. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation. The consolidated accounts also include a joint venture under the gross equity method.

1.4 Turnover

Turnover is derived from ordinary activities and represents amounts receivable for goods and services provided to customers and clients, net of VAT.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years, on a straight line basis. Goodwill arising on consolidation is amortised over its useful economic life of 5 years, on a straight line basis.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	over 3 years on a straight line basis
Office equipment	over 3 years on a straight line basis
Fixtures, fittings & equipment	over 10 years on a straight line basis

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.9 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2013 £	2012 £
Operating profit is stated after charging:		
Amortisation of intangible assets	190,469	184,639
Depreciation of tangible assets	62,588	56,642
Loss on disposal of tangible assets	698	2,398
Operating lease rentals		
- Plant and machinery	37,503	22,426
- Other assets	312,396	287,033
	<u> </u>	<u> </u>

Auditors' remuneration

Fees payable to the group's auditor for the audit of the group's annual accounts (company £16,400; 2012: £17,900)	17,975	19,340
Other services	455	1,230
	<u> </u>	<u> </u>
	18,430	20,570
	<u> </u>	<u> </u>

4 Interest payable	2013 £	2012 £
Other interest	375	452
	<u> </u>	<u> </u>

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

5	Taxation	2013 £	2012 £
	Domestic current year tax		
	U.K. corporation tax	125,743	173,340
	Total current tax	<u>125,743</u>	<u>173,340</u>
	Deferred tax		
	Origination and reversal of timing differences	28,094	1,852
	Effects of changes in tax rates and laws	1,340	-
		<u>29,434</u>	<u>1,852</u>
		<u>155,177</u>	<u>175,192</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>714,020</u>	<u>744,554</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2012 - 24%)	<u>142,804</u>	<u>178,693</u>
	Effects of:		
	Non deductible expenses	538	116
	Capital allowances	(28,094)	(1,091)
	Tax losses utilised	-	450
	Other tax adjustments	10,495	(4,828)
		<u>(17,061)</u>	<u>(5,353)</u>
	Current tax charge for the year	<u>125,743</u>	<u>173,340</u>

6 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2013 £	2012 £
Holding company's profit for the financial year	<u>549,904</u>	<u>560,336</u>

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

7	Dividends	2013	2012
		£	£
	Ordinary interim paid	<u>315,000</u>	<u>283,500</u>
8	Intangible fixed assets		
	Group		Goodwill
			£
	Cost		
	At 1 January 2013 & at 31 December 2013		<u>1,333,348</u>
	Amortisation		
	At 1 January 2013		685,882
	Charge for the year		<u>190,469</u>
	At 31 December 2013		<u>876,351</u>
	Net book value		
	At 31 December 2013		<u>456,997</u>
	At 31 December 2012		<u>647,466</u>
	Intangible fixed assets (continued)		
	Company		Goodwill
			£
	Cost		
	At 1 January 2013 & at 31 December 2013		<u>1,333,348</u>
	Amortisation		
	At 1 January 2013		685,882
	Charge for the year		<u>190,469</u>
	At 31 December 2013		<u>876,351</u>
	Net book value		
	At 31 December 2013		<u>456,997</u>
	At 31 December 2012		<u>647,466</u>

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

9 Tangible fixed assets Group

	Leasehold property	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2013	153,044	456,100	106,939	716,083
Additions	59,029	127,681	5,436	192,146
Disposals	-	(13,540)	(4,735)	(18,275)
	<u>212,073</u>	<u>570,241</u>	<u>107,640</u>	<u>889,954</u>
At 31 December 2013				
Depreciation				
At 1 January 2013	143,835	409,614	83,996	637,445
On disposals	-	(13,085)	(4,547)	(17,632)
Charge for the year	8,609	46,523	7,456	62,588
	<u>152,444</u>	<u>443,052</u>	<u>86,905</u>	<u>682,401</u>
At 31 December 2013				
Net book value				
At 31 December 2013	<u>59,629</u>	<u>127,189</u>	<u>20,735</u>	<u>207,553</u>
At 31 December 2012	<u>9,209</u>	<u>46,486</u>	<u>22,943</u>	<u>78,638</u>

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

9 Tangible fixed assets

(Continued)

Tangible fixed assets Company

	Leasehold property	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2013	153,044	456,100	106,939	716,083
Additions	59,029	121,759	5,436	186,224
Disposals	-	(13,540)	(4,735)	(18,275)
At 31 December 2013	212,073	564,319	107,640	884,032
Depreciation				
At 1 January 2013	143,835	409,614	83,996	637,445
On disposals	-	(13,085)	(4,547)	(17,632)
Charge for the year	8,609	45,606	7,456	61,671
At 31 December 2013	152,444	442,135	86,905	681,484
Net book value				
At 31 December 2013	59,629	122,184	20,735	202,548
At 31 December 2012	9,209	46,486	22,943	78,638

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

10 Fixed asset investments Company

	Shares in participating interests £	Shares in group undertakings £	Total £
Cost			
At 1 January 2013	11,000	805,103	816,103
Disposals	(11,000)	-	(11,000)
	<u>-</u>	<u>805,103</u>	<u>805,103</u>
At 31 December 2013	-	805,103	805,103
Provisions for diminution in value			
At 1 January 2013	10,999	804,601	815,600
On disposals	(10,999)	-	(10,999)
	<u>-</u>	<u>804,601</u>	<u>804,601</u>
At 31 December 2013	-	804,601	804,601
Net book value			
At 31 December 2013	-	502	502
	<u>-</u>	<u>502</u>	<u>502</u>
At 31 December 2012	1	502	503
	<u>1</u>	<u>502</u>	<u>503</u>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

10 Fixed asset investments

(Continued)

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Prestige Nursing (Franchise) Ltd	England and Wales	Ordinary	100.00
Prestige Medical Recruitment Ltd	England and Wales	Ordinary	100.00
Handy Helpers Ltd	England and Wales	Ordinary	100.00
Independent Homecare Services Ltd	England and Wales	Ordinary	100.00
Participating interests			
Balmoral Homecare Ltd	Northern Ireland	Ordinary	27.50

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Prestige Nursing (Franchise) Ltd	Running a franchise operation
Prestige Medical Recruitment Ltd	Dormant
Handy Helpers Ltd	Dormant
Independent Homecare Services Ltd	Dormant
Balmoral Homecare Ltd	Homecare services

11 Debtors

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	3,064,584	2,822,853	2,892,281	2,681,266
Amounts owed by group undertakings	-	-	68,545	34,429
Corporation tax	12,267	25,263	12,267	25,263
Called up share capital not paid	100	100	-	-
Other debtors	138,481	78,743	138,481	78,743
Prepayments and accrued income	210,273	198,741	202,789	191,770
Deferred tax asset (see note 13)	-	8,040	-	8,040
	3,425,705	3,133,740	3,314,363	3,019,511

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

12 Creditors : amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade creditors	191,175	148,190	187,839	147,844
Corporation tax	125,743	173,340	34,905	96,158
Taxes and social security costs	534,526	593,806	532,871	582,969
Other creditors	960,750	835,856	960,750	835,856
Accruals and deferred income	230,639	236,667	222,367	216,080
	<u>2,042,833</u>	<u>1,987,859</u>	<u>1,938,732</u>	<u>1,878,907</u>

13 Provisions for liabilities Group

	Deferred taxation £
Balance at 1 January 2013	(8,040)
Profit and loss account	29,434
Balance at 31 December 2013	<u>21,394</u>

Company

Balance at 1 January 2013	(8,040)
Profit and loss account	28,433
Balance at 31 December 2013	<u>20,393</u>

The deferred tax liability is made up as follows:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Accelerated/(decelerated) capital allowances	<u>21,394</u>	<u>(8,040)</u>	<u>20,393</u>	<u>(8,040)</u>

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

14 Pension and other post-retirement benefit commitments

Defined contribution

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund.

	2013 £	2012 £
Contributions payable by the group for the year	141,924	107,909

15 Share capital

Allotted, called up and fully paid

10,000 Ordinary shares of £1 each

	2013 £	2012 £
	10,000	10,000

16 Statement of movements on profit and loss account Group

	Profit and loss account £
Balance at 1 January 2013	2,499,113
Profit for the year	558,843
Dividends paid	(315,000)
Balance at 31 December 2013	2,742,956

Company

	Profit and loss account £
Balance at 1 January 2013	2,492,309
Profit for the year	549,904
Dividends paid	(315,000)
Balance at 31 December 2013	2,727,213

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

17	Reconciliation of movements in shareholders' funds	2013	2012
		£	£
	Group		
	Profit for the financial year	558,843	569,362
	Dividends	(315,000)	(283,500)
		<hr/>	<hr/>
	Net addition to shareholders' funds	243,843	285,862
	Opening shareholders' funds	2,509,113	2,223,251
		<hr/>	<hr/>
	Closing shareholders' funds	2,752,956	2,509,113
		<hr/>	<hr/>
	Company		
	Profit for the financial year	549,904	560,336
	Dividends	(315,000)	(283,500)
		<hr/>	<hr/>
	Net addition to shareholders' funds	234,904	276,836
	Opening shareholders' funds	2,502,309	2,225,473
		<hr/>	<hr/>
	Closing shareholders' funds	2,737,213	2,502,309
		<hr/>	<hr/>

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

18 Financial commitments

At 31 December 2013 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
Expiry date:				
Within one year	-	-	21,373	852
Between two and five years	318,223	283,006	32,965	44,987
	<u>318,223</u>	<u>283,006</u>	<u>54,338</u>	<u>45,839</u>

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
Expiry date:				
Within one year	-	-	21,373	852
Between two and five years	318,223	283,006	32,965	44,987
	<u>318,223</u>	<u>283,006</u>	<u>54,338</u>	<u>45,839</u>

19 Directors' remuneration

	2013	2012
	£	£
Remuneration for qualifying services	400,091	401,946
Company pension contributions to defined contribution schemes	85,267	50,464
	<u>485,358</u>	<u>452,410</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2012 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	141,400	148,227
Company pension contributions to defined contribution schemes	20,857	14,175
	<u>162,257</u>	<u>162,402</u>

PRESTIGE NURSING LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2013 Number	2012 Number
Directors	4	3
Head office staff	55	56
Branch staff	103	98
	<u>162</u>	<u>157</u>

Employment costs

	2013 £	2012 £
Wages and salaries	3,592,439	3,481,244
Social security costs	337,673	334,100
Other pension costs	141,924	107,909
	<u>4,072,036</u>	<u>3,923,253</u>

21 Related party relationships and transactions

Loans to directors

Transactions in relation to loans with directors during the year are outlined in the table below:

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
J P Bruce - Loan	-	49,067	50,933	-	35,230	64,770
		<u>49,067</u>	<u>50,933</u>	<u>-</u>	<u>35,230</u>	<u>64,770</u>

Dividends

The following directors were paid dividends during the year as outlined in the table below:

	2013 £	2012 £
J P Bruce	80,230	72,207
P Bruce	49,455	44,510
	<u>129,685</u>	<u>116,717</u>