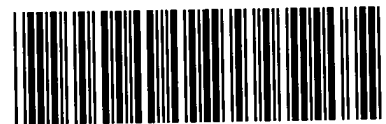


**ALLIED HEALTHCARE GROUP  
LIMITED**

**DIRECTORS' REPORT, STRATEGIC  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 JANUARY 2015**

TUESDAY



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# **Allied Healthcare Group Limited**

## **Directors' Report, Strategic Report and Financial Statements 2015**

<b>Contents</b>	<b>Page</b>
Directors and advisers	1
Directors' report	2
Strategic report	3
Statement of directors' responsibilities	4
Report of the independent auditors	5
Profit and loss account	6
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the Accounts	8 - 14

# **Allied Healthcare Group Limited**

## **Directors and Advisers**

### **Directors**

LHL Batchelor  
M Jackson  
T Pethick  
R Preece  
J Whitehead

### **Secretary & Registered Office**

V Haynes  
Enbrook Park  
Sandgate  
Folkestone  
Kent  
CT20 3SE

### **Auditors**

Ernst & Young LLP  
25 Churchill Place  
London E14 5EY

# Allied Healthcare Group Limited

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 January 2015 with comparative figures presented for the year ended 31 January 2014.

### Directors

The following directors served during the period under review:

LHL Batchelor (appointed 23 April 2014)  
S Howard  
P Dixon  
A Goodsell  
M Jackson  
T Pethick  
D Gibson  
J Whitehead

After the year end, S Howard resigned on 23 June, A Goodsell on 30 July, D Gibson on 9 September and P Dixon on 25 September. R Preece was appointed as a director on 25 September 2015.

### Directors' interests

In the year ended 31 January 2015 none of the directors had any interest in the share capital of the Company.

### Company Secretary

V Haynes served as Company Secretary throughout the year.

### Country of incorporation

The Company is incorporated in Great Britain and registered in England and Wales.

### Auditors

Ernst & Young LLP have expressed their willingness to continue in office as auditors.

### Going concern

The Company's business activities are described in the Strategic Report on page 3. The directors believe that the Company is capable of adequately managing its business risk. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

### Statement of disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

Approved by the Board of Directors  
and signed on behalf of the Board

J H Whitehead



Director 58 October 2015

# Allied Healthcare Group Limited

## Strategic report

### Review of business and future developments

Other than the sale of its investment in Allied Healthcare Australia PTY Limited in May 2014 the Company did not trade during the year to 31 January 2015. It did however retain its ownership of L&B (No 182) Limited, a holding company for certain care companies trading as Homecare Independent Living, operating in Northern Ireland and the Republic of Ireland. This is expected to continue for the foreseeable future.

Income before tax for the year totalled £822,341, (2014: £979,688), comprising £573,202 dividend income from L&B (No 182) Limited, £231,601 dividend income from Allied Healthcare Australia PTY Limited plus £17,538 profit on disposal of the Company's interest in Allied Healthcare Australia PTY Limited.

### Proposed disposal by intermediate parent company

On 15<sup>th</sup> January 2015 the Company's intermediate parent, Saga plc, announced its intention to seek to dispose all of its healthcare operations (other than certain private pay services). The Company is an intermediate holding company within Saga's healthcare business and so this announcement is expected to lead to a change in ultimate and intermediate parent company during the year ending 31<sup>st</sup> January 2016.

### Key performance indicators

Key performance indicators are no longer computed as the Company is not trading.

### Principal risks and uncertainties

The principal risk for the Company derives from possible impairments to the cost of its investments in trading subsidiaries. Possible impairments could arise from various commercial factors, each of which are more fully explained within the financial statements of the respective subsidiaries.

Approved by the Board of Directors  
and signed on behalf of the Board



J H Whitehead

Director

28 OCTOBER

2015

# **Allied Healthcare Group Limited**

## **Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss for the period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Allied Healthcare Group Limited

## Independent auditors' report to the shareholders of Allied Healthcare Group Limited

We have audited the financial statements of Allied Healthcare Group Limited for the period ended 31 January 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 12. 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 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 4, 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 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 Directors' Report, Strategic Report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the company's affairs as at 31 January 2015 and of its 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 Directors' Report and the Strategic Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

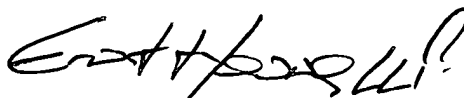
### Matters on which we are required to report by exception

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

- ▶ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ▶ the financial statements are not in agreement with the accounting records and returns; or
- ▶ certain disclosures of directors' remuneration specified by law are not made; or
- ▶ we have not received all the information and explanations we require for our audit.

Benjamin Gregory (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

29 October 2015



# Allied Healthcare Group Limited

## Profit and loss account Year ended 31 January 2015

	<i>Notes</i>	<b>Year ended 31.01.2015 £</b>	<b>Year ended 31.01.2014 £</b>
<b>Operating profit</b>	2	-	-
Income from investments	6	804,803	979,688
Profit on disposal of investment	6	17,538	-
<b>Profit on ordinary activities before taxation</b>		<u>822,341</u>	<u>979,688</u>
Tax on profit on ordinary activities	5	-	(231,705)
<b>Profit for the financial period</b>		<u>822,341</u>	<u>747,983</u>

All results are derived from continuing operations.

## Statement of total recognised gains and losses Year ended 31 January 2015

	<b>Year ended 31.01.2015 £</b>	<b>Year ended 31.01.2014 £</b>
<b>Profit for the period</b>	822,341	747,983
<b>Total gains recognised for the financial period</b>	<u>822,341</u>	<u>747,983</u>

The notes on pages 8 to 14 form an integral part of these financial statements.

The Company retains direct and indirect investments in certain trading subsidiaries and continues to receive dividends from its direct investment. With this exception, however, the Company has not traded since 1<sup>st</sup> February 2013 when it sold its business and assets and liabilities to a fellow group subsidiary.



# Allied Healthcare Group Limited

## Balance sheet As at 31 January 2015

	Notes	31 January 2015 £	31 January 2014 £
<b>Fixed assets</b>			
Investments	7	4,143,426	4,143,426
		<u>4,143,426</u>	<u>4,143,426</u>
<b>Current assets</b>			
Debtors	8	56,832,660	56,010,319
		<u>56,832,660</u>	<u>56,010,319</u>
<b>Net current assets</b>		<u>56,832,660</u>	<u>56,010,319</u>
<b>Total assets</b>		<u>60,976,086</u>	<u>60,153,745</u>
<b>Net assets</b>		<u>60,976,086</u>	<u>60,153,745</u>
<b>Capital and reserves</b>			
Called up share capital	10	86,654	86,654
Profit and loss account		<u>60,889,432</u>	<u>60,067,091</u>
<b>Total equity shareholders' funds</b>	9	<u>60,976,086</u>	<u>60,153,745</u>

The notes on pages 8 to 14 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 20 October 2015.

Signed on behalf of the Board of Directors by:



J Whitehead

Allied Healthcare Group Limited  
Company registration number: 1689856

# Allied Healthcare Group Limited

## Notes to the accounts For the year ended 31 January 2015

### 1. Principal accounting policies

The financial statements have been prepared in accordance with applicable accounting standards and law in the United Kingdom. A summary of the more important policies, which have been applied consistently in the current and prior periods, is set out below.

#### **Basis of accounting**

The accounts are prepared in accordance with the historical cost convention.

#### **Consolidation**

The financial statements present information about the company as an individual undertaking and not about its group. Consolidated financial statements have not been prepared as the company is exempt under the provisions of s400 CA2006 from the requirement to prepare such accounts, as it is a wholly owned subsidiary of Acromas Holdings Limited and is included in the consolidated accounts of that company.

#### **Investments in subsidiary undertaking**

Investments are stated at cost less provision for any impairment in value in the company balance sheet.

#### **Dividend income**

Dividend income is recognised in the profit and loss account on authorisation by the board of the paying company.

#### **Turnover**

Turnover, which excludes VAT and trade discounts, represents amounts receivable for services provided in the period for which the company has a right to consideration. Turnover is derived entirely in the UK from the provision of healthcare and welfare services.

#### **Provisions and contingent liabilities**

Provisions are recognised when the Company has a legal or constructive obligation as a result of a past event, where the amount of the obligation can be reliably estimated and it is probable that the Company will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. Where discounting is used, the increase in the provision due to the passage of time is recognised as an interest charge. Where appropriate, the future legal costs arising from the past event giving rise to the obligation are included in this provision. Where the Company has a possible obligation as a result of a past event that may, but probably will not, result in an outflow of economic benefits, no provision is made. Disclosures are made of the contingent liability including where practicable an estimate of the financial effect, uncertainties relating to the amount or timing of the outflow of resources, and the possibility of any reimbursement.

#### **Estimates and judgements**

The preparation of accounts in accordance with accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of income and expenses during the reported period. These estimates are based on historical experience and various other assumptions that management and directors believe are reasonable under the circumstances, the results of which form the basis for making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Areas comprising critical judgements that may significantly affect the Company's earnings and financial position are bad debt provisioning, the valuation of investments and of intangibles including goodwill, provisions for income taxes including tax enquiries and provisions for onerous lease costs on vacant properties, all of which are discussed in the respective notes.

# Allied Healthcare Group Limited

## Notes to the accounts

### For the year ended 31 January 2015

#### Foreign exchange

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward foreign currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate. All differences are taken to the statement of total recognised gains and losses.

#### Taxation

Current tax, including UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Cashflow statement

The Company is a wholly owned subsidiary of Omnicare Limited and is included in the consolidated financial statements of Saga plc. Consequently, the Company has taken advantage of the exemption from preparing a cashflow statement under the terms of Financial Reporting Standard No.1 (revised 1996) "Cash flow statements".

#### Going Concern

The Company does not trade, although dividend income from investments in subsidiary companies continues to accrue to the Company.

The directors are of the opinion that it is appropriate to continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### 2. Operating profit

Audit fees of £21,000 (2014: £30,000) for audit of the financial statements have been borne and paid by another group company. Included in auditors' remuneration there is £nil remuneration for non-audit services (2014: £nil).

#### 3. Employee Information

The Company did not have any employees during the year (2014: nil).

#### 4. Directors' emoluments

There are no retirement benefits accruing to directors (2014: £nil) under defined benefit pension schemes.

A Goodsell, S Howard, L Batchelor, T Pethick, D Gibson and J Whitehead were remunerated by Saga Group Limited, a fellow subsidiary of the ultimate holding company, Acromas Holdings Limited. P Dixon and M Jackson were remunerated by Nestor Primecare Services Limited, another subsidiary of Acromas Holdings Limited. They did not receive any emoluments during the period in respect of their services as directors of the Company (2014: £nil) and it would not be practicable to apportion the emoluments between their services as directors of the Company and services as directors of other group companies. The Company has not been recharged any amount for the emoluments of these directors (2014: £nil).

# Allied Healthcare Group Limited

## Notes to the accounts

### For the year ended 31 January 2015

#### 5 Tax on profit on ordinary activities

(a) The taxation charge is made up as follows:

	Year ended 31.01.2015	Year ended 31.01.2014
	£	£
Current UK corporation tax:		
Current year at 21.33% (2014: 23.16%)	-	-
Under provided in previous years	-	76,781
	-	76,781
Adjustment in respect of prior years	-	154,924
	-	231,705
Tax on profit on ordinary activities	-	231,705

(b) Factors affecting the current tax charge:

	Year ended 31.01.2015	Year ended 31.01.2014
	£	£
Profit on ordinary activities before tax	822,341	979,688
Profit on ordinary activities at the standard rate of UK corporation tax 21.33% (2014: 23.16%)	175,405	226,896
Non-taxable dividend income	(171,664)	(226,896)
Profit on disposal of investment not taxable as covered by the substantial shareholdings exemption	(3,741)	-
Tax under provided in previous years	-	76,781
	-	76,781

A reduction in the main rate of corporation tax from 23% to 21% took effect on 1<sup>st</sup> April 2014 and a further reduction to 20% was enacted in the Finance Act 2013 to take effect from 1<sup>st</sup> April 2015. Further reductions to the rate of corporation tax, to 19% in April 2017 and then 18% in April 2020, were announced as part of the Summer Budget 2015.

#### 6. Disposal of Allied Healthcare Australia PTY Limited and Dividend Income

In May 2014 the Company disposed of its entire holding of ordinary shares in Allied Healthcare Australia PTY Limited. Sale proceeds, net of costs of disposal, were £17,538 which also represented the gain on disposal.

Immediately prior to completion the Company received £231,601 from Allied Healthcare Australia PTY Limited as dividends declared on the latter company's ordinary shares.

A dividend of £573,202 (2014: £979,688) receivable from the Company's investment in L&B (No 182) Limited was recognised in the year. This dividend was declared in respect of the year ended 31 January 2014 and was authorised by the Board of L&B (no 182) Limited in January 2015, and paid to the Company in February 2015.

# Allied Healthcare Group Limited

## Notes to the accounts

### For the year ended 31 January 2015

#### 7. Fixed asset investments

	Subsidiary Undertakings £
Cost at 31 January 2014 and 31 January 2015	7,328,472
Cumulative impairments	(3,185,046)
	<hr/>
Net book value at 31 January 2014 and 31 January 2015	4,143,426
	<hr/>
Investments are in respect of the following active companies:	

## Allied Healthcare Group Limited

### Notes to the accounts

### For the year ended 31 January 2015

Name of undertaking	Country of Incorporation	Class of Holding	Proportion Held	Nature of Business
L&B No. (182) Ltd	UK	Ordinary Shares	50.1%	Holding company
*Homecare (Northern Ireland) Ltd	UK	Ordinary Shares	50.1%	Provision of healthcare & housing services
*Homecare & Health Services (Ireland) Ltd	ROI	Ordinary Shares	50.1%	Provision of healthcare services
*Homecare Support Services Ltd	UK	Ordinary Shares	50.1%	Provision of healthcare and support services

\*Indirect holding through subsidiary

# Allied Healthcare Group Limited

## Notes to the accounts

### For the year ended 31 January 2015

	31.01.2015 £	31.01.2014 £
<b>8. Trade and other debtors</b>		
Amounts owed by other group companies	56,259,458	56,010,319
Dividend receivable (note 6)	573,202	-
	<u>56,832,660</u>	<u>56,010,319</u>

Following the year-end, £55,030,000 of the debtor owed by other group companies is to be waived in the year ending 31 January 2016.

#### 9. Reconciliation of movement in equity shareholders' funds

	Year ended 31.01.2015 £	Year ended 31.01.2014 £
Opening equity shareholders' funds	60,153,745	59,405,762
Total recognised gains during the period	822,341	747,983
Closing equity shareholders' funds	<u>60,976,086</u>	<u>60,153,745</u>

#### 10. Called up share capital

	31.01.2015 No of shares	£	31.01.2014 No of shares	£
<b>Allotted, called up and fully paid</b>				
86,654 Ordinary shares of £1 each	<u>86,654</u>	<u>86,654</u>	<u>86,654</u>	<u>86,654</u>

#### 11. Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard No.8 "Related party transactions" not to disclose transactions with group entities as it is a wholly owned subsidiary included within consolidated accounts that are publically available.

#### 12. Parent undertakings

The immediate parent company is Omnicare Limited, a company incorporated in Great Britain and registered in England and Wales. The Company is wholly owned by Omnicare Limited.

The ultimate holding company remained Acromas Holdings Limited throughout the year. Acromas Holdings Limited is registered in England and Wales with registered office Enbrook Park, Sandgate, Folkestone, Kent CT20 3SE.

# **Allied Healthcare Group Limited**

## **Notes to the accounts**

### **For the year ended 31 January 2015**

The financial statements of the Company have been consolidated in the group financial statements of Saga plc (an intermediate parent undertaking and the ultimate parent undertaking for the Saga group), a company registered in England and Wales with registered office Enbrook Park, Sandgate, Folkestone, Kent CT20 3SE. Saga plc is the parent company of the smallest group of which the Company is a member and for which group financial statements are prepared.

On 29 May 2014, Saga plc was admitted to the London Stock Exchange.