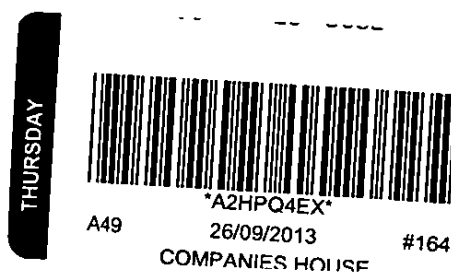


REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013
FOR
ADL LEASED HOMES LTD

02522031



ADL LEASED HOMES LTD (REGISTERED NUMBER 02522031)

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FOR THE YEAR ENDED 31 MARCH 2013**

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ADL LEASED HOMES LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2013**

DIRECTORS	W J Davies Mrs P L Jackson
SECRETARY	W J Davies
REGISTERED OFFICE	c/o Cox Costello & Horne Limited Langwood House 63-81 High Street Rickmansworth Hertfordshire WD3 1EQ
REGISTERED NUMBER	02522031 (England and Wales)
SENIOR STATUTORY AUDITOR	Michael F Cox BSC FCA
AUDITORS	Cox Costello & Horne Limited Chartered Accountants and Statutory Auditors Langwood House 63-81 High Street Rickmansworth Hertfordshire WD3 1EQ

ADL LEASED HOMES LTD (REGISTERED NUMBER 02522031)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2013**

The directors present their report with the financial statements of the company for the year ended 31 March 2013

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of Nursing care homes

REVIEW OF BUSINESS

The company entered into a contract with North Lincolnshire County Council to run 3 Care homes in partnership with it. The directors are pleased to note that the business of the company has continued to be profitable. This has been achieved by keeping good levels of occupancy through careful and responsive management of the home.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2013

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2012 to the date of this report

W J Davies
Mrs P L Jackson

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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 accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Cox Costello & Horne Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD


W J Davies - Secretary

Date

17/9/2013

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ADL LEASED HOMES LTD

We have audited the financial statements of ADL Leased Homes Ltd for the year ended 31 March 2013 on pages four to thirteen. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 Report of the Directors 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 March 2013 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.

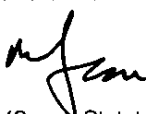
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Michael F Cox BSC FCA (Senior Statutory Auditor)
for and on behalf of Cox Costello & Horne Limited
Chartered Accountants and Statutory Auditors
Langwood House
63-81 High Street
Rickmansworth
Hertfordshire
WD3 1EQ

Date

17/9/2013

ADL LEASED HOMES LTD (REGISTERED NUMBER 02522031)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2013**

	Notes	31 3 13		31 3 12	
		£	£	£	£
TURNOVER	2		1,656,212		1,035,887
Continuing operations		1,656,212		-	
Acquisitions		-		1,035,887	
		<u>1,656,212</u>		<u>1,035,887</u>	
Cost of sales	3		956,975		613,997
GROSS PROFIT	3		699,237		421,890
Net operating expenses	3		617,444		351,890
OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5		81,793		70,000
Continuing operations		81,793		-	
Acquisitions		-		70,000	
		<u>81,793</u>		<u>70,000</u>	
Tax on profit on ordinary activities	6		13,508		15,500
PROFIT FOR THE FINANCIAL YEAR			<u>68,285</u>		<u>54,500</u>

The notes form part of these financial statements

ADL LEASED HOMES LTD (REGISTERED NUMBER 02522031)

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2013**

	31 3 13	31 3 12
	£	£
PROFIT FOR THE FINANCIAL YEAR	68,285	54,500
Unrealised (deficit)/surplus on revaluation of properties	(40,000)	611,516
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	28,285	666,016
	<hr/>	<hr/>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

The notes form part of these financial statements

ADL LEASED HOMES LTD (REGISTERED NUMBER 02522031)


BALANCE SHEET
31 MARCH 2013

	Notes	31 3 13 £	£	31 3 12 £	£
FIXED ASSETS					
Tangible assets	7		625,068		635,000
CURRENT ASSETS					
Debtors	8	300,692		234,685	
Cash at bank and in hand		97,531		85,582	
		<u>398,223</u>		<u>320,267</u>	
CREDITORS					
Amounts falling due within one year	9	277,990		238,251	
NET CURRENT ASSETS			<u>120,233</u>		<u>82,016</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>745,301</u>		<u>717,016</u>
CAPITAL AND RESERVES					
Called up share capital	12		51,000		51,000
Revaluation reserve	13		571,516		611,516
Profit and loss account	13		122,785		54,500
SHAREHOLDERS' FUNDS	16		<u>745,301</u>		<u>717,016</u>

The financial statements were approved by the Board of Directors on its behalf by

17/4/2013

and were signed on


W J Davies - Director

The notes form part of these financial statements

ADL LEASED HOMES LTD (REGISTERED NUMBER 02522031)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2013**

	Notes	31 3 13 £	31 3 12 £
Net cash inflow from operating activities	1	67,539	109,066
Taxation		(15,500)	-
Capital expenditure	2	(40,090)	(23,484)
Increase in cash in the period		<u>11,949</u>	<u>85,582</u>

**Reconciliation of net cash flow
to movement in net funds**

	3		
Increase in cash in the period		<u>11,949</u>	<u>85,582</u>
Change in net funds resulting from cash flows		<u>11,949</u>	<u>85,582</u>
Movement in net funds in the period		<u>11,949</u>	<u>85,582</u>
Net funds at 1 April		<u>85,582</u>	<u>-</u>
Net funds at 31 March		<u>97,531</u>	<u>85,582</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2013**

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 3 13 £	31 3 12 £
Operating profit	81,793	70,000
Depreciation charges	10,022	-
(Decrease)/increase in group debt	(50,169)	91,252
Decrease/(increase) in debtors	68,220	(223,104)
(Decrease)/increase in creditors	(42,327)	170,918
Net cash inflow from operating activities	67,539	109,066

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31 3 13 £	31 3 12 £
Capital expenditure		
Purchase of tangible fixed assets	(40,090)	(23,484)
Net cash outflow for capital expenditure	(40,090)	(23,484)

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 4 12 £	Cash flow £	At 31 3 13 £
Net cash			
Cash at bank and in hand	85,582	11,949	97,531
	<u>85,582</u>	<u>11,949</u>	<u>97,531</u>
Total	85,582	11,949	97,531

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**
1 ACCOUNTING POLICIES**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

Turnover

Turnover represents invoiced sales of services

Tangible fixed assets

Depreciation is provided in order to write off each asset over its estimated useful life except land and buildings which the company maintains to a level which retains the valuation. All related improvements, repairs and renewals are written off as incurred.

Depreciation on Other Assets are provided at 25% per annum on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company

An analysis of turnover by geographical market is given below

	31 3 13 £	31 3 12 £
United Kingdom	<u>1,656,212</u>	<u>1,035,887</u>
	<u><u>1,656,212</u></u>	<u><u>1,035,887</u></u>

3 ANALYSIS OF OPERATIONS

	Continuing £	31 3 13 Acquisitions £	Total £
Cost of sales	<u>956,975</u>	<u>-</u>	<u>956,975</u>
Gross profit	<u>699,237</u>	<u>-</u>	<u>699,237</u>
Net operating expenses			
Administrative expenses	<u>617,444</u>	<u>-</u>	<u>617,444</u>
	Continuing £	31 3 12 Acquisitions £	Total £
Cost of sales	<u>-</u>	<u>613,997</u>	<u>613,997</u>
Gross profit	<u>-</u>	<u>421,890</u>	<u>421,890</u>
Net operating expenses			
Administrative expenses	<u>-</u>	<u>351,890</u>	<u>351,890</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2013

4 STAFF COSTS

	31 3 13	31 3 12
	£	£
Wages and salaries	768,886	499,821
Social security costs	31,249	20,055
	<u>800,135</u>	<u>519,876</u>

The average monthly number of employees during the year was as follows

	31 3 13	31 3 12
Nursing and care	57	64
Cleaning, catering and maintenance	28	32
Management and administration	3	3
	<u>88</u>	<u>99</u>

5 OPERATING PROFIT

The operating profit is stated after charging

	31 3 13	31 3 12
	£	£
Depreciation - owned assets	10,022	-
Auditors' remuneration	4,075	3,520
Auditors' remuneration for non audit work	2,000	2,000
	<u>-</u>	<u>-</u>
Directors' remuneration	-	-

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	31 3 13	31 3 12
	£	£
Current tax		
UK corporation tax	15,772	15,500
Deferred tax	(2,264)	-
	<u>13,508</u>	<u>15,500</u>
Tax on profit on ordinary activities		

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2013

6 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 3 13 £	31 3 12 £
Profit on ordinary activities before tax	<u>81,793</u>	<u>70,000</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2012 - 26%)	19,630	18,200
Effects of Capital allowances in excess of depreciation	(2,090)	-
Marginal tax rate relief	<u>(1,768)</u>	<u>(2,700)</u>
Current tax charge	<u>15,772</u>	<u>15,500</u>

7 TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 April 2012	635,000	-	635,000
Additions	-	40,090	40,090
Revaluations	<u>(40,000)</u>	-	<u>(40,000)</u>
At 31 March 2013	<u>595,000</u>	<u>40,090</u>	<u>635,090</u>
DEPRECIATION			
Charge for year	-	10,022	10,022
At 31 March 2013	-	<u>10,022</u>	<u>10,022</u>
NET BOOK VALUE			
At 31 March 2013	<u>595,000</u>	<u>30,068</u>	<u>625,068</u>
At 31 March 2012	<u>635,000</u>	-	<u>635,000</u>

Cost or valuation at 31 March 2013 is represented by

	Short leasehold £	Fixtures and fittings £	Totals £
Valuation in 2012	611,516	-	611,516
Valuation in 2013	(40,000)	-	(40,000)
Cost	<u>23,484</u>	<u>40,090</u>	<u>63,574</u>
	<u>595,000</u>	<u>40,090</u>	<u>635,090</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2013

7 TANGIBLE FIXED ASSETS - continued

If Short leasehold properties had not been revalued they would have been included at the following historical cost

	31 3 13	31 3 12
	£	£
Cost	<u>23,484</u>	<u>23,484</u>

Short leasehold properties were valued on an open market basis on 31 March 2012 by Christie + Co, London

During the year ended 31 March 2013, the director, Mr W J Davies MRICS, reviewed the values of the short leasehold properties which resulted in a decrease of £40,000

8 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 13	31 3 12
	£	£
Trade debtors	146,627	208,324
Amounts owed by group undertakings	135,992	3,019
Amounts owed by participating interests	7,052	8,062
Other debtors	1,325	1,097
Deferred tax asset	2,264	-
Prepayments and accrued income	7,432	14,183
	<u>300,692</u>	<u>234,685</u>

9 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 13	31 3 12
	£	£
Trade creditors	46,645	43,046
Amounts owed to participating interests	133,627	51,833
Tax	15,772	15,500
Social security and other taxes	12,785	14,478
Other creditors	59,793	63,877
Accruals and deferred income	9,368	49,517
	<u>277,990</u>	<u>238,251</u>

10 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

		Other operating leases
	31 3 13	31 3 12
	£	£
Expiring		
In more than five years	<u>120,000</u>	<u>120,000</u>

11 DEFERRED TAX

	£
Excess capital allowances	<u>(2,264)</u>
Balance at 31 March 2013	<u>(2,264)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2013

12 CALLED UP SHARE CAPITAL

Allotted and issued Number	Class	Nominal value	31 3 13 £	31 3 12 £
50,000	Share capital A Shares	£1	50,000	50,000
1,000	Share capital B Shares	£1	1,000	1,000
			<u>51,000</u>	<u>51,000</u>

13 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 April 2012	54,500	611,516	666,016
Profit for the year	68,285		68,285
Property revaluation	-	(40,000)	(40,000)
At 31 March 2013	<u>122,785</u>	<u>571,516</u>	<u>694,301</u>

14 RELATED PARTY DISCLOSURES

As the Company is a wholly owned subsidiary of ADL plc and as the consolidated financial statements are publicly available, the Company has taken advantage of the Financial Reporting Standard No 8 exemption from disclosing transactions with group undertakings

The following inter-company balances were owed to the company as at the year end

	2013 £	2012 £
ADL PLC	110,992	3,021
Woodland Nursing Home Ltd	15,000	-
Solutions (Yorkshire) Ltd	10,000	-

The company has a partnership agreement with North Lincolnshire Council which, during the year, earned North Lincolnshire Council a total of £201,794 (2012 £125,166) At the year end ADL Leased Homes Ltd owed North Lincolnshire Council a total of £133,627 (2012 51,833)

15 ULTIMATE CONTROLLING PARTY

The Company is a wholly owned subsidiary company of ADL plc (a company incorporated in England and Wales) and Group Financial Statements are available from Companies House

In the Directors' opinion, Mr W J Davies was the controlling party on 31 March 2013 of the Company as he owned a majority of shares in ADL plc

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 3 13 £	31 3 12 £
Profit for the financial year	68,285	54,500
Other recognised gains and losses relating to the year (net)	<u>(40,000)</u>	<u>611,516</u>
Net addition to shareholders' funds	28,285	666,016
Opening shareholders' funds	<u>717,016</u>	<u>51,000</u>
Closing shareholders' funds	<u>745,301</u>	<u>717,016</u>