

COMPANY REGISTRATION NUMBER 03025072

PRESTIGE CARE LIMITED
FINANCIAL STATEMENTS
31ST JULY 2012

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PRESTIGE CARE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2012

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PRESTIGE CARE LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr S Singh Mrs M Singh Mrs B Kaur
Company secretary	Mrs M Singh
Registered office	West Acres Durham Lane Eaglescliffe Stockton on Tees TS16 0PG
Auditor	Tait Walker LLP Chartered Accountants & Statutory Auditor Medway House Fudan Way Teesdale Park Stockton-on-Tees TS17 6EN
Bankers	National Westminster Bank Plc 5 High Street East Redcar Cleveland TS10 3JR Svenska Handelsbanken AB Ground Floor Winder House Kingfisher Way Stockton on Tees TS18 3EX Santander Corporate Banking Level 9, Baltic Place South Shore Road Gateshead NE8 3AE
Solicitors	DWF Medway House University Boulevard Teesdale Park Stockton-on-Tees TS17 6EN

PRESTIGE CARE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST JULY 2012

The directors present their report and the financial statements of the group for the year ended 31st July 2012

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the group during the year were operating residential and nursing care homes, management of freehold investment property and property development and construction

During the year the group paid £113,000 to break the residual balance on an onerous hedge (interest rate protection instrument) that remained in situ from the previous year. These costs are included in the interest payable charge of £684,647

Following the demise of Southern Cross Plc, on 1st October 2011, the group commenced trading of the freehold care homes that had previously been operated under lease by Southern Cross Plc

FUTURE DEVELOPMENTS

The group awaits further developments with regards to its complaint against RBS with regards to the mis-selling of hedges (interest rate protection instruments). The complaint is included in the wider Financial Services Authority led review

Initial advice has been received that leads the Directors to believe that there is a strong case for redress

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £906,015. Particulars of dividends paid are detailed in note 11 to the financial statements

FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The group has an established, structured approach to risk management. The group's activities expose it to a variety of financial risks, including the effects of credit, along with liquidity and cash flow risk. The group has adopted risk management policies that seek to mitigate these risks in a cost effective manner

Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations. The group performs ongoing credit evaluation of its customers' financial condition

Liquidity risk is the risk that the group does not have sufficient liquid assets to meet its obligations as they fall due. Liquidity is maintained at a prudent level and the group ensures there is an adequate liquidity buffer to cover contingencies. The group maintains sufficient cash and open committed credit lines from its bank for its funding requirements

Interest rate risk re unfavourable movements in interest rates is not perceived as being material to the accounts due to the borrowing agreements in place

DIRECTORS

The directors who served the company during the year were as follows

Mr S Singh

Mrs B Kaur

Mrs M Singh

(Resigned 18th March 2013)

PRESTIGE CARE LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST JULY 2012

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial 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 the group and the profit or loss of the group for that year.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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.

DONATIONS

During the year the company made the following contributions

	2012	2011
	£	£
Charitable	<u>450</u>	<u>5,203</u>

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

A resolution to re-appoint Tait Walker LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

Signed on behalf of the directors



Mr S Singh
Director

Approved by the directors on . 24/7/13

PRESTIGE CARE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE COMPANY'S SHAREHOLDERS

YEAR ENDED 31ST JULY 2012

We have audited the group and parent company financial statements ("the financial statements") of Prestige Care Limited for the year ended 31st July 2012 set out on pages 6 to 28. 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. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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. 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 31st July 2012 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

PRESTIGE CARE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE COMPANY'S SHAREHOLDERS

(continued)

YEAR ENDED 31ST JULY 2012

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



David Arthur FCA (Senior Statutory Auditor)

For and on behalf of

Tait Walker LLP, Chartered Accountants & Statutory Auditor

Medway House

Fudan Way

Teesdale Park

Stockton-on-Tees

TS17 6EN

29.4.13

PRESTIGE CARE LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST JULY 2012

		2012			2011
	Note	Continuing operations £	Discontinued operations £	Total £	Total £
Turnover	2	2,531,154	9,254,109	11,785,263	2,504,345
Cost of sales		2,019,202	7,216,166	9,235,368	2,421,274
GROSS PROFIT		511,952	2,037,943	2,549,895	83,071
Net operating expenses	3	1,127,091	555,497	1,682,588	(75,762)
OPERATING (LOSS)/PROFIT	4	(615,139)	1,482,446	867,307	158,833
Interest receivable				153	568
Profit on disposal of investments				1,157,876	—
Interest payable and similar charges			8	(684,646)	(1,626,079)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION				1,340,690	(1,466,678)
Tax on profit/(loss) on ordinary activities			9	434,675	(99,216)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR			10	906,015	(1,367,462)

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 14 to 28 form part of these financial statements

PRESTIGE CARE LIMITED

GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31ST JULY 2012

	2012	2011
	£	£
Profit/(Loss) for the financial year attributable to the shareholders of the parent company	906,015	(1,367,462)
Unrealised profit on revaluation of certain fixed assets	—	1,998,698
Total gains and losses recognised since the last annual report	<u>906,015</u>	<u>631,236</u>

The notes on pages 14 to 28 form part of these financial statements

PRESTIGE CARE LIMITED**GROUP BALANCE SHEET****31ST JULY 2012**

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	12	15,155,634	15,140,927
Investments	13	1	—
		<u>15,155,635</u>	<u>15,140,927</u>
CURRENT ASSETS			
Stocks	14	23,978	3,920,387
Debtors	15	1,963,425	1,854,156
Cash at bank and in hand		136,614	63,980
		<u>2,124,017</u>	<u>5,838,523</u>
CREDITORS: amounts falling due within one year	16	<u>2,225,269</u>	<u>5,539,155</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(101,252)</u>	<u>299,368</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>15,054,383</u>	<u>15,440,295</u>
CREDITORS: amounts falling due after more than one year	17	9,936,917	10,256,671
PROVISIONS FOR LIABILITIES			
Deferred taxation	18	69,695	57,368
		<u>5,047,771</u>	<u>5,126,256</u>
CAPITAL AND RESERVES			
Called-up equity share capital	22	4	4
Revaluation reserve	23	5,598,131	5,598,131
Profit and loss account	23	(550,364)	(471,879)
SHAREHOLDERS' FUNDS	24	<u>5,047,771</u>	<u>5,126,256</u>

The Balance sheet continues on the following page.

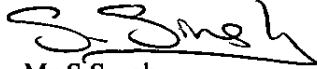
The notes on pages 14 to 28 form part of these financial statements

PRESTIGE CARE LIMITED

GROUP BALANCE SHEET *(continued)*

31ST JULY 2012

These financial statements were approved by the directors and authorised for issue on 29/4/13,
and are signed on their behalf by



Mr S Singh
Director

The notes on pages 14 to 28 form part of these financial statements

PRESTIGE CARE LIMITED
COMPANY REGISTRATION NUMBER 03025072

BALANCE SHEET

31ST JULY 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	12	6,036,989	6,000,000
Investments	13	311,812	5
		<u>6,348,801</u>	<u>6,000,005</u>
CURRENT ASSETS			
Debtors	15	3,089,646	4,620,837
Cash at bank and in hand		17,465	31,621
		<u>3,107,111</u>	<u>4,652,458</u>
CREDITORS: amounts falling due within one year	16	<u>405,535</u>	<u>296,776</u>
NET CURRENT ASSETS		<u>2,701,576</u>	<u>4,355,682</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,050,377</u>	<u>10,355,687</u>
CREDITORS: amounts falling due after more than one year	17	4,596,655	4,690,440
PROVISIONS FOR LIABILITIES			
Deferred taxation	18	11,272	38,845
		<u>4,442,450</u>	<u>5,626,402</u>
CAPITAL AND RESERVES			
Called-up equity share capital	22	4	4
Revaluation reserve	23	3,952,504	3,952,504
Profit and loss account	23	489,942	1,673,894
SHAREHOLDERS' FUNDS		<u>4,442,450</u>	<u>5,626,402</u>

The Balance sheet continues on the following page.
The notes on pages 14 to 28 form part of these financial statements

PRESTIGE CARE LIMITED
COMPANY REGISTRATION NUMBER 03025072

BALANCE SHEET *(continued)*

31ST JULY 2012

These financial statements were approved by the directors and authorised for issue on 29/4/13 ,
and are signed on their behalf by



Mr S Singh
Director

The notes on pages 14 to 28 form part of these financial statements

PRESTIGE CARE LIMITED**GROUP CASH FLOW****YEAR ENDED 31ST JULY 2012**

	2012		2011	
	£	£	£	£
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		5,770,968		(2,089,504)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	153		568	
Interest paid	<u>(684,646)</u>		<u>(1,626,079)</u>	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(684,493)		(1,625,511)
TAXATION		66,956		(44,256)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT				
Payments to acquire tangible fixed assets	<u>(104,061)</u>		<u>(21,737)</u>	
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(104,061)		(21,737)
ACQUISITIONS AND DISPOSALS				
Net cash disposed of with trade/business	(7,302)		-	
Acquisition of shares in group undertakings	<u>(1)</u>		<u>-</u>	
NET CASH OUTFLOW FROM ACQUISITIONS AND DISPOSALS		(7,303)		-
EQUITY DIVIDENDS PAID		(984,500)		-
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		4,057,567		(3,781,008)
FINANCING				
(Repayment of)/increase in bank loans	(3,896,402)		3,502,925	
Net inflow from other long-term creditors	<u>11,560</u>		<u>206,161</u>	
NET CASH (OUTFLOW)/INFLOW FROM FINANCING		(3,884,842)		3,709,086
INCREASE/(DECREASE) IN CASH		<u>172,725</u>		<u>(71,922)</u>

The notes on pages 14 to 28 form part of these financial statements

PRESTIGE CARE LIMITED**GROUP CASH FLOW****YEAR ENDED 31ST JULY 2012****RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW)
FROM OPERATING ACTIVITIES**

	2012	2011
	£	£
Operating profit	867,307	158,833
Depreciation	24,421	25,842
Decrease/(increase) in stocks	3,878,061	(2,082,372)
Increase in debtors	(300,521)	(26,818)
Increase/(decrease) in creditors	1,301,700	(164,989)
Net cash inflow/(outflow) from operating activities	<u>5,770,968</u>	<u>(2,089,504)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2012	2011
	£	£
Increase/(decrease) in cash in the period	172,725	(71,922)
Net cash outflow from/(inflow) from bank loans	3,896,402	(3,502,925)
Net cash (inflow) from other long-term creditors	<u>(11,560)</u>	<u>(206,161)</u>
	4,057,567	(3,781,008)
Change in net debt	4,057,567	(3,781,008)
Net debt at 1 August 2011	(14,237,996)	(10,456,988)
Net debt at 31 July 2012	<u>(10,180,429)</u>	<u>(14,237,996)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Aug 2011	Cash flows	At 31 Jul 2012
	£	£	£
Net cash			
Cash in hand and at bank	63,980	72,634	136,614
Overdrafts	(100,091)	100,091	–
	<u>(36,111)</u>	<u>172,725</u>	<u>136,614</u>
Debt.			
Debt due within 1 year	(3,945,214)	3,565,088	(380,126)
Debt due after 1 year	(10,256,671)	319,754	(9,936,917)
	<u>(14,201,885)</u>	<u>3,884,842</u>	<u>(10,317,043)</u>
Net debt	<u>(14,237,996)</u>	<u>4,057,567</u>	<u>(10,180,429)</u>

The notes on pages 14 to 28 form part of these financial statements

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets

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. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five 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 represents the value of goods sold and services provided during the year net of discounts, returns and Value Added Tax.

For goods sold, turnover is recognised when the goods are physically received by the customer and for services provided, turnover is recognised to the extent that and when there is a right to consideration.

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:

Plant & machinery - 4 to 5 years straight line

Fixtures & fittings - 3 to 5 years straight line

Motor vehicles - 25% reducing balance

Office equipment - 3 years straight line

Football equipment - 5 years straight line

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

1. ACCOUNTING POLICIES *(continued)*

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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 exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

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 liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

2. TURNOVER

The turnover and loss before tax are attributable to the principal activities of the group. An analysis of turnover is given below.

	2012 £	2011 £
Property investment and development	8,434,000	200,000
Football and related activities	820,109	2,304,345
Nursing home operations	2,531,154	-
	<u>11,785,263</u>	<u>2,504,345</u>

3. ANALYSIS OF TURNOVER, COST OF SALES AND NET OPERATING EXPENSES

	Continuing operations £	Discontinued operations £	Total £
YEAR ENDED 31ST JULY 2012			
Cost of sales	2,019,202	7,216,166	9,235,368
Administrative expenses	1,335,045	572,667	1,907,712
Other operating income	(207,954)	(17,170)	(225,124)
Net operating expenses	<u>1,127,091</u>	<u>555,497</u>	<u>1,682,588</u>
YEAR ENDED 31ST JULY 2011			
Turnover	199,998	2,304,347	2,504,345
Cost of sales	371,442	2,049,832	2,421,274
Gross (loss)/profit	(171,444)	254,515	83,071
Administrative expenses	399,033	455,529	854,562
Other operating income	(927,600)	(2,724)	(930,324)
Net operating expenses	<u>528,567</u>	<u>452,805</u>	<u>75,762</u>
Operating profit/(loss)	<u>357,123</u>	<u>(198,290)</u>	<u>158,833</u>

4. OPERATING PROFIT

Operating profit is stated after charging

	2012 £	2011 £
Depreciation of owned fixed assets	23,540	25,842
Auditor's remuneration		
- as auditor	20,680	20,605
- for other services	<u>17,252</u>	<u>17,862</u>

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

5. PARTICULARS OF EMPLOYEES

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

	2012	2011
	No	No
Number of construction staff	2	3
Number of football staff	23	56
Number of administrative staff	3	6
Number of management staff	9	7
Number of hospitality and commercial staff	109	76
Number of care staff	91	—
	<u>237</u>	<u>148</u>

The aggregate payroll costs of the above were

	2012	2011
	£	£
Wages and salaries	2,540,162	1,486,711
Social security costs	73,174	117,060
Other pension costs	884	2,652
	<u>2,614,220</u>	<u>1,606,423</u>

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2012	2011
	£	£
Aggregate remuneration	<u>8,333</u>	<u>27,500</u>

7. PROFIT ON DISPOSAL OF INVESTMENTS

	2012	2011
	£	£
Amounts written off investments	<u>(1,157,876)</u>	<u>—</u>

The above relates to amounts written off following the liquidation of Darlington FC (2009) Limited

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Interest payable on bank borrowing	352,080	1,872
Other similar charges payable	332,566	1,624,207
	<u>684,646</u>	<u>1,626,079</u>

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

9. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012		2011
	£	£	£
Current tax			
In respect of the year			
UK Corporation tax based on the results for the year at 25 33% (2011 - 27 33%)	422,460		(2,739)
(Over)/under provision in prior year	(10,059)		(151,920)
Total current tax	412,401		(154,659)
Deferred tax			
Origination and reversal of timing differences	22,274		55,443
Total deferred tax (note 18)	22,274		55,443
Tax on profit/(loss) on ordinary activities	434,675		(99,216)

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 25 33% (2011 - 27 33%)

	2012	2011
	£	£
Profit/(loss) on ordinary activities before taxation	1,340,690	(1,466,678)
Profit/(loss) on ordinary activities by rate of tax	339,957	(1,032,301)
Expenses not deductible for tax purposes	654,276	80,503
Capital allowances for period in excess of depreciation	(33,676)	(24,228)
Utilisation of tax losses	23,763	30,402
Adjustments to tax charge in respect of previous periods	10,059	(151,920)
Income not recognised on consolidation	(288,688)	942,885
Income not taxable	(293,290)	-
Total current tax (note 9(a))	412,401	(154,659)

10. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(199,452) (2011 - £(816,352))

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

11. DIVIDENDS

Equity dividends

	2012 £	2011 £
Paid during the year		
Ordinary shares of £1 each	<u>984,500</u>	<u>—</u>

12. TANGIBLE FIXED ASSETS

Group	Brought forward 1 Aug 11 £	Additions £	Disposals £	Transfers £	Carried forward 31 Jul 12 £
COST OR VALUATION					
Investment property	15,065,000	—	—	(13,565,000)	1,500,000
Plant & Machinery	47,750	—	(32,750)	—	15,000
Fixtures & Fittings	38,373	71,199	(50,813)	—	58,759
Motor Vehicles	3,500	25,074	(3,500)	—	25,074
Office equipment	3,312	5,038	(985)	—	7,365
Leasehold Property	—	2,750	—	—	2,750
Football equipment	20,782	—	(20,782)	—	—
Freehold property	—	—	—	13,565,000	13,565,000
	<u>15,178,717</u>	<u>104,061</u>	<u>(108,830)</u>	<u>—</u>	<u>15,173,948</u>

Group	Brought forward 1 Aug 11 £	Charges £	Disposals £	Carried forward 31 Jul 12 £
DEPRECIATION				
Investment property	—	—	—	—
Plant & Machinery	(14,613)	(5,542)	13,592	(6,563)
Fixtures & Fittings	(14,854)	(10,892)	19,861	(5,885)
Motor Vehicles	(807)	(4,198)	1,541	(3,464)
Office equipment	(1,331)	(2,057)	986	(2,402)
Leasehold Property	—	—	—	—
Football equipment	(6,185)	(1,732)	7,917	—
Freehold property	—	—	—	—
	<u>(37,790)</u>	<u>(24,421)</u>	<u>43,897</u>	<u>(18,314)</u>

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

12. TANGIBLE FIXED ASSETS *(continued)*

Group	Brought forward 1 Aug 11 £	Carried forward 31 Jul 12 £
NET BOOK VALUE		
Investment property	15,065,000	1,500,000
Plant & Machinery	33,137	8,437
Fixtures & Fittings	23,519	52,874
Motor Vehicles	2,693	21,610
Office equipment	1,981	4,963
Leasehold Property	–	2,750
Football equipment	14,597	–
Freehold property	–	13,565,000
	<u>15,140,927</u>	<u>15,155,634</u>

The group's freehold property was valued by the directors at the year end

Company	Brought forward 1 Aug 11 £	Additions £	Disposals £	Transfers £	Carried forward 31 Jul 12 £
COST OR VALUATION					
Investment property	6,000,000	–	–	(6,000,000)	–
Fixtures & Fittings	–	25,664	–	–	25,664
Motor Vehicles	–	14,074	–	–	14,074
Office equipment	–	1,381	–	–	1,381
Freehold property	–	–	–	6,000,000	6,000,000
	<u>6,000,000</u>	<u>41,119</u>	<u>–</u>	<u>–</u>	<u>6,041,119</u>

Company	Brought forward 1 Aug 11 £	Charges £	Disposals £	Carried forward 31 Jul 12 £
DEPRECIATION				
Investment property	–	–	–	–
Fixtures & Fittings	–	(2,859)	–	(2,859)
Motor Vehicles	–	(1,173)	–	(1,173)
Office equipment	–	(98)	–	(98)
Freehold property	–	–	–	–
	<u>–</u>	<u>(4,130)</u>	<u>–</u>	<u>(4,130)</u>

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

12. TANGIBLE FIXED ASSETS *(continued)*

Company	Brought forward 1 Aug 11 £	Carried forward 31 Jul 12 £
NET BOOK VALUE		
Investment property	6,000,000	–
Fixtures & Fittings	–	22,805
Motor Vehicles	–	12,901
Office equipment	–	1,283
Freehold property	–	6,000,000
	<u>6,000,000</u>	<u>6,036,989</u>

13. INVESTMENTS

Group	Total £
COST	
Additions	1
At 31st July 2012	<u>1</u>
AMOUNTS WRITTEN OFF	
NET BOOK VALUE	
At 31st July 2012	<u>1</u>
Company	Group companies £
COST	
At 1st August 2011	250,004
Additions	1,500,101
Disposals	(250,000)
At 31st July 2012	<u>1,500,105</u>
AMOUNTS WRITTEN OFF	
At 1st August 2011	249,999
Written off in year	938,294
At 31st July 2012	<u>1,188,293</u>
NET BOOK VALUE	
At 31st July 2012	<u>311,812</u>
At 31st July 2011	<u>5</u>

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

13. INVESTMENTS *(continued)*

Details of the investments in which the company holds more than 10% of the nominal value of any class of share capital are as follows

	Country of registration and operation	Proportion of share Holding capital held	Nature of business
Subsidiary undertakings			
Prestige Leisure (North East) Limited	England	Ordinary shares 100%	Property developer
Prestige Properties (North East) Limited	England	Ordinary shares 100%	Investment property & care home operator
Sandstone Developments (North East) Limited	England	Ordinary shares 100%	Building company
Prestige Care (Arundel) Limited	England	Ordinary shares 100%	Care home operator
PG Newco Limited	England	Ordinary shares 100%	Not trading

During the year the Prestige Properties (North East) Limited converted inter-company debt of £1,500,000 into equity

Darlington FC 2009 Limited, a wholly owned subsidiary of this company, was placed into administration on 3rd January 2012 which was subsequently moved to a creditors' voluntary liquidation on 2nd July 2012. Consequently Darlington FC 2009 Limited has not been included above and the value of the company's investment has been written off.

During the year the company acquired 100% of the ordinary share capital of Prestige Care (Arundel) Limited and PG Newco Limited at nominal value. PG Newco Limited has not traded since incorporation therefore has been excluded from the consolidation.

Aggregate capital and reserves

	2012 £	2011 £
Prestige Leisure (North East) Limited	(517,500)	529,345
Prestige Properties (North East) Limited	511,709	114,410
Sandstone Developments (North East) Limited	514,279	806,695

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

13. INVESTMENTS *(continued)*

	2012 £	2011 £
Prestige Care (Arundel) Limited	(124,610)	—
	<u>383,878</u>	<u>1,450,450</u>
Profit for the year		
	2012 £	2011 £
Prestige Leisure (North East) Limited	375,155	(209,874)
Prestige Properties (North East) Limited	(1,102,701)	56,583
Sandstone Developments (North East) Limited	(292,416)	872,187
Prestige Care (Arundel) Limited	(124,710)	—
	<u>(1,144,672)</u>	<u>718,896</u>

14. STOCKS

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Stock	—	21,427	—	—
Work in progress	23,978	3,898,960	—	—
	<u>23,978</u>	<u>3,920,387</u>	<u>—</u>	<u>—</u>

15. DEBTORS

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Trade debtors	294,972	92,455	124,373	18,029
Amounts owed by group undertakings	27,659	—	2,286,800	4,257,494
Corporation tax repayable	—	22,394	—	12,798
VAT recoverable	123,778	3,995	—	—
Other debtors	1,396,004	1,429,284	608,968	332,516
Directors current accounts	40,363	202,230	63,186	—
Prepayments and accrued income	80,649	103,798	6,319	—
	<u>1,963,425</u>	<u>1,854,156</u>	<u>3,089,646</u>	<u>4,620,837</u>

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

15. DEBTORS *(continued)*

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

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Amounts owed by group undertakings	-	-	2,263,800	4,307,493
Other debtors	1,578,773	1,366,712	525,034	329,886
	<u>5,381,429</u>	<u>1,366,712</u>	<u>2,788,834</u>	<u>4,637,379</u>

16. CREDITORS: amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	380,126	4,045,305	206,386	220,861
Trade creditors	768,582	747,929	58,518	11,520
Directors' loan accounts	-	-	-	4,196
Other creditors including taxation and social security				
Corporation tax	466,910	-	28,608	-
PAYE and social security	57,373	38,218	16,920	-
Other creditors	29,151	16,005	6,231	-
Accruals and deferred income	523,127	691,698	88,872	60,199
	<u>2,225,269</u>	<u>5,539,155</u>	<u>405,535</u>	<u>296,776</u>

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

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	<u>380,126</u>	<u>4,045,305</u>	<u>206,386</u>	<u>220,861</u>

The group's bank loans are secured by a debenture and legal charge over its freehold property.

17. CREDITORS: amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	9,687,757	10,019,071	4,347,495	4,452,840
Other creditors	249,160	237,600	249,160	237,600
	<u>9,936,917</u>	<u>10,256,671</u>	<u>4,596,655</u>	<u>4,690,440</u>

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

17. CREDITORS: amounts falling due after more than one year *(continued)*

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

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	<u>9,687,757</u>	<u>10,019,071</u>	<u>4,347,495</u>	<u>4,452,840</u>

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	<u>8,087,253</u>	<u>8,635,839</u>	<u>3,640,912</u>	<u>3,769,608</u>

18. DEFERRED TAXATION

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

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Provision brought forward	57,368	1,925	38,845	-
Increase/(Decrease) in provision	<u>12,327</u>	<u>55,443</u>	<u>(27,573)</u>	<u>38,845</u>
Provision carried forward	<u>69,695</u>	<u>57,368</u>	<u>11,272</u>	<u>38,845</u>

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

Group	2012		2011	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	127,016	-	108,190	-
Tax losses available	(57,321)	-	-	-
Other timing differences	-	-	(50,822)	-
	<u>69,695</u>	<u>-</u>	<u>57,368</u>	<u>-</u>

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

Company	2012		2011	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	57,631	-	38,845	-
Tax losses available	(46,359)	-	-	-
	<u>11,272</u>	<u>-</u>	<u>38,845</u>	<u>-</u>

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

19. COMMITMENTS UNDER OPERATING LEASES

At 31st July 2012 the group had annual commitments under non-cancellable operating leases as set out below

Group	Land and buildings	
	2012	2011
	£	£
Operating leases which expire		
Within 2 to 5 years	13,520	-
After more than 5 years	56,400	10,000
	<u>69,920</u>	<u>10,000</u>

20. TRANSACTIONS WITH THE DIRECTORS

During the year interest free loan facilities were made available to directors by group companies

	2012
	£
Balance at the beginning of the year	207,089
Total drawn during the year	360,883
Total repaid during the year	(574,081)
Total written off during the year	(3,530)
Balance at the end of the year	<u>(9,639)</u>

Mr S Singh has provided a personal guarantees to the value of £250,000 in respect of the bank borrowings of Prestige Properties (North East) Limited

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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21. RELATED PARTY TRANSACTIONS

During the year the directors received dividends from Prestige Care Limited as follows

	2012	2011
	£	£
Mrs S Singh	492,250	127,550
Mrs M Singh	492,250	127,550
	<u>984,500</u>	<u>255,100</u>

During the year Sandstone Developments (North East) Limited carried work to the value of £675,000 and £1,750,000 to Prestige Estates (North East) Limited and Prestige Care (Humberside) Limited respectively

During the year Prestige Care Limited paid costs to the value of £26,660 on behalf of PG Newco Limited, this amount is included in debtors at the year end

During the year Prestige Care (Arundel) Limited was recharged expenses of £4,797 by Prestige Estates (North East) Limited, there were also a number of cash transfers to assist cashflow

At the year end the following balances, included in debtors falling due after one year, were due to group companies from Prestige Estates (North East) Limited

	2012	2011
	£	£
Prestige Care Limited	525,034	329,886
Sandstone Developments (North East) Limited	433,745	588,540
Prestige Properties (North East) Limited	1,385	198,779
Prestige Care (Arundel) Limited	22,203	–

At the year end the following balances, included in creditors falling due after one year, were due to Prestige Estates (North East) Limited from group companies

	2012	2011
	£	£
Prestige Leisure (North East) Limited	–	8,124
Darlington Football Club (2009) Limited	–	151

At the year end the following balances, included in debtors falling due after one year, were due to group companies from Prestige Care (Humberside) Limited

	2012	2011
	£	£
Sandstone Developments (North East) Limited	596,407	249,507

At the year end the following balances, included in creditors falling due after one year, were due to Prestige Care (Humberside) Limited from group companies

	2012	2011
	£	£
Prestige Care Limited	11,560	–

Prestige Estates (North East) Limited and Prestige Care Humberside Limited are subject to common control

PRESTIGE CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2012

22. SHARE CAPITAL

Authorised share capital:

	2012	2011
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
4 Ordinary shares of £1 each	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>

23. RESERVES

Group	Revaluation reserve £	Profit and loss account £
Balance brought forward	5,598,131	(471,879)
Profit for the year	–	906,015
Equity dividends	–	(984,500)
Balance carried forward	<u>5,598,131</u>	<u>(550,364)</u>

Company	Revaluation reserve £	Profit and loss account £
Balance brought forward	3,952,504	1,673,894
Loss for the year	–	(199,452)
Equity dividends	–	(984,500)
Balance carried forward	<u>3,952,504</u>	<u>489,942</u>

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Profit/(Loss) for the financial year	906,015	(1,367,462)
Other net recognised gains and losses	–	1,998,698
Equity dividends	<u>(984,500)</u>	<u>–</u>
Net (reduction)/addition to shareholders' funds	(78,485)	631,236
Opening shareholders' funds	<u>5,126,256</u>	<u>4,495,020</u>
Closing shareholders' funds	<u>5,047,771</u>	<u>5,126,256</u>

25. POST BALANCE SHEET EVENTS

On 9th April 2012 Sandstone Developments (North East) Limited was made subject of a compulsory winding up order and was subsequently placed into liquidation, consequently full provision has been made against all amounts due from Sandstone Developments (North East) Limited at that date