

TRAFALGAR ENTERPRISE HOLDINGS LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2015

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COMPANIES HOUSE

TRAFALGAR ENTERPRISE HOLDINGS LIMITED

COMPANY INFORMATION

Director M J Hughes

Registered number 04281856

Registered office Suite 5
33 Queen Street
Wolverhampton
West Midlands
WV1 3AP

Auditor BDO LLP
Citypoint
65 Haymarket Terrace
Edinburgh
EH12 5HD

Bankers Bank of Scotland plc
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Edinburgh
EH12 9DJ

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UK Banking Service Centre
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**STRATEGIC REPORT
FOR THE YEAR ENDED 5 APRIL 2015**

Introduction

The director presents his strategic report and the financial statements for the year ended 5 April 2015.

Business review

The company continued to receive rental income from its subsidiaries during the year and generated a profit before taxation of £200,448.

The director is satisfied with the result for the year.

Principal risks and uncertainties

The principal risks facing the company are an increase in the cost of its borrowings, along with any reduction in the financial performance of its subsidiaries.

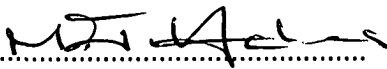
Future developments

The director does not anticipate any significant change to the business going forward and therefore expects a similar performance in the year to 5 April 2016.

This report was approved by the board on

15/12/15

and signed on its behalf.



.....
M J Hughes
Director

TRAFALGAR ENTERPRISE HOLDINGS LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 5 APRIL 2015

The director presents his report and the financial statements for the year ended 5 April 2015.

Principal activities

The principal activity of the company during the period was a property rental company. The principal activity of the subsidiary companies was the provision of care home services.

Results

The profit for the year, after taxation, amounted to £176,261 (2014 - £131,655).

Director

The director who served during the year was:

M J Hughes

Provision of information to auditor

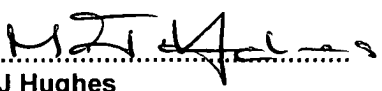
The director at the time when this Director's report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing his report and to establish that the company's auditor is aware of that information.

This report was approved by the board on

18/12/15

and signed on its behalf.


M J Hughes
Director

TRAFALGAR ENTERPRISE HOLDINGS LIMITED

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 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 judgments and accounting estimates that are reasonable and prudent; and
- 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, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

TRAFALGAR ENTERPRISE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR ENTERPRISE HOLDINGS LIMITED

We have audited the financial statements of Trafalgar Enterprise Holdings Limited for the year ended 5th April 2015 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 statement of director's responsibilities, the director is 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 5th April 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.

Emphasis of matter- Going concern

During the year the company breached one of its bank covenants and therefore the borrowings at the year end have been aged as falling due within one year. The company is funded by an on demand loan facility from the Bank of Scotland, who are currently carrying out a review of the facility. Should the funding be withdrawn the company may not be able to secure alternative finance and may therefore be unable to realise its assets and discharge its liabilities in the normal course of business.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company were unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

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

TRAFALGAR ENTERPRISE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR ENTERPRISE HOLDINGS LIMITED

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.

BDO LLP

23 December 2015

Martin Gill (*senior statutory auditor*)

For and on behalf of BDO LLP, statutory auditor
Edinburgh
United Kingdom

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

TRAFALGAR ENTERPRISE HOLDINGS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 5 APRIL 2015**

	Note	2015 £	2014 £
TURNOVER	1,2	440,000	440,000
Administrative expenses		<u>(157,869)</u>	<u>(140,803)</u>
OPERATING PROFIT	3	282,131	299,197
Income from other fixed asset investments		60,000	12,000
Interest payable and similar charges	5	<u>(141,683)</u>	<u>(126,159)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		200,448	185,038
Tax on profit on ordinary activities	6	<u>(24,187)</u>	<u>(53,383)</u>
PROFIT FOR THE FINANCIAL YEAR	14	<u>176,261</u>	<u>131,655</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 8 to 13 form part of these financial statements.

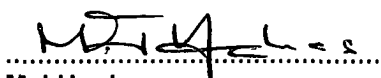
TRAFALGAR ENTERPRISE HOLDINGS LIMITED
REGISTERED NUMBER: 04281856

BALANCE SHEET
AS AT 5 APRIL 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	7		4,713,976		4,807,208
Investments	8		2		2
			<u>4,713,978</u>		<u>4,807,210</u>
CURRENT ASSETS					
Debtors	9	76,000		76,000	
Cash at bank		29,359		29,560	
		<u>105,359</u>		<u>105,560</u>	
CREDITORS: amounts falling due within one year	10	(3,339,999)		(3,441,433)	
NET CURRENT LIABILITIES			<u>(3,234,640)</u>		<u>(3,335,873)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,479,338</u>		<u>1,471,337</u>
CREDITORS: amounts falling due after more than one year	11		(889,916)		(998,732)
PROVISIONS FOR LIABILITIES					
Deferred tax	12		(27,564)		(27,008)
NET ASSETS			<u>561,858</u>		<u>445,597</u>
CAPITAL AND RESERVES					
Called up share capital	13		2		2
Profit and loss account	14		561,856		445,595
SHAREHOLDERS' FUNDS	15		<u>561,858</u>		<u>445,597</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

15/12/15.


M J Hughes
Director

The notes on pages 8 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company made a profit during the year of £176,261 (2014 - £131,655). At the year end the company had net current liabilities of £3,234,640 (2014 - £3,335,873).

During the year the company breached one of its bank covenants and therefore the borrowings at the year end have been aged as falling due within one year. The company is funded by an on demand loan facility from the Bank of Scotland, who are currently carrying out a review of the facility. Should the funding be withdrawn the company may not be able to secure alternative finance and may therefore be unable to realise its assets and discharge its liabilities in the normal course of business.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company were unable to continue as a going concern.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of rental income received during the year, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Land and buildings	-	2% straight line
Plant, machinery, fixtures & fittings	-	10-15% straight line

1.5 Investments

Investments held as fixed assets are shown at cost less any provision required for impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015**

1. ACCOUNTING POLICIES (continued)

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2. TURNOVER

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	154,236	148,217
Auditor's remuneration	1,800	1,800
	<u>156,036</u>	<u>150,017</u>

4. STAFF COSTS

The company has no employees other than the directors, who did not receive any remuneration (2014 - £NIL).

5. INTEREST PAYABLE

	2015 £	2014 £
On bank loans and overdrafts	141,683	126,159
	<u>141,683</u>	<u>126,159</u>

TRAFALGAR ENTERPRISE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015**

6. TAXATION

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	23,631	59,757
Deferred tax		
Origination and reversal of timing differences	556	-
Capital allowances in excess of depreciation	-	(6,374)
Total deferred tax (see note 12)	556	(6,374)
Tax on profit on ordinary activities	24,187	53,383

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 21% (2014 - 23%).

7. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant, machinery, fixtures & fittings £	Total £
Cost			
At 6 April 2014	5,081,156	569,065	5,650,221
Additions	-	61,004	61,004
At 5 April 2015	5,081,156	630,069	5,711,225
Depreciation			
At 6 April 2014	543,372	299,641	843,013
Charge for the year	80,023	74,213	154,236
At 5 April 2015	623,395	373,854	997,249
Net book value			
At 5 April 2015	4,457,761	256,215	4,713,976
At 5 April 2014	4,537,784	269,424	4,807,208

Included in land and buildings is freehold land of £1,080,000 (2014 - £1,080,000) which is not depreciated.

TRAFALGAR ENTERPRISE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015**

8. FIXED ASSET INVESTMENTS

	Shares in group under- takings £
Cost	
At 6 April 2014 and 5 April 2015	2
Net book value	
At 5 April 2015	2
At 5 April 2014	2

The company holds the following investments in subsidiary undertakings:

Name	Profit for the period		Aggregate capital & reserves	
	2015 £	2014 £	2015 £	2014 £
Yorkshire Property Investment Fund Ltd	13,873	(10,779)	536,479	582,606
Doncaster Property Investment Fund Ltd	(143,938)	6,303	609,550	753,488
ECHD Ltd	478	(1,326)	123,934	123,456
CCCHD Ltd	(182)	969	43,410	43,593

Yorkshire Property Investment Fund Limited owns 100% of the ordinary issued share capital of ECHD Limited, a UK registered company.

Doncaster Property Investment Fund Limited owns 100% of the ordinary issued share capital of CCCHD Limited, a UK registered company.

9. DEBTORS

	2015 £	2014 £
Amounts owed by group undertakings	76,000	76,000

**10. CREDITORS:
Amounts falling due within one year**

	2015 £	2014 £
Bank loans and overdrafts	3,047,476	3,229,882
Amounts owed to group undertakings	263,099	146,000
Corporation tax	23,631	59,757
Other creditors	5,793	5,794
	3,339,999	3,441,433

TRAFALGAR ENTERPRISE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015**

10. CREDITORS:
Amounts falling due within one year (continued)

The bank loan is secured by the following charges:

A standard security over the following properties, Ernelesthrop Care Home and China Cottage Nursing Home held by the subsidiary undertakings together with a debenture over all the assets of the company and its subsidiaries.

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

	2015 £	2014 £
Amounts owed to group undertakings	<u>889,916</u>	<u>998,732</u>

12. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	27,008	33,382
Charge for/(released during) year (P&L)	556	(6,374)
At end of year	<u>27,564</u>	<u>27,008</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>27,564</u>	<u>27,008</u>

13. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2015**

14. RESERVES

	Profit and loss account £
At 6 April 2014	445,595
Profit for the financial year	176,261
Dividends: Equity capital	(60,000)
	<hr/>
At 5 April 2015	561,856
	<hr/>

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	445,597	325,942
Profit for the financial year	176,261	131,655
Dividends (Note 16)	(60,000)	(12,000)
	<hr/>	<hr/>
Closing shareholders' funds	561,858	445,597
	<hr/>	<hr/>

16. DIVIDENDS

	2015 £	2014 £
Dividends paid on equity capital	60,000	12,000
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17. RELATED PARTY TRANSACTIONS

The company has taken advantage of exemption contained within FRS8 not to disclose transactions within the group.

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent company is Embankment Holdings Limited .

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is Embankment Holdings Limited. Consolidated accounts are available from Companies House.

Embankment Holdings Limited is controlled by M J Hughes, the director.