

Bentleigh Care Limited

Report and Financial Statements

Year Ended

31 March 2015

Company Number 4286432



Bentleigh Care Limited

**Report and financial statements
for the year ended 31 March 2015**

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Directors

R A Waterer
C J Cook
C B Percy
R H Davis
D A Whiteley

Secretary

R A Waterer

Registered Office

Sherwood House, Forest Road, Kew, TW9 3BY

Company number

4286432

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Bentleigh Care Limited

Report of the directors for the year ended 31 March 2015

The directors present their report together with the audited financial statements for the year ended 31 March 2015.

Results and dividends

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

No dividend was declared in the year (2014 - £Nil).

Principal activities and future developments

The principal activities of the company in the year under review were those of operating and managing a care home and a retirement community.

The directors are of the view that the current level of trading will continue in the future.

Directors

The directors of the company during the year were:

R A Waterer
C J Cook
C B Percy
R H Davis
D A Whiteley (appointed 12 May 2014)

Directors' responsibilities

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 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.

Bentleigh Care Limited

Report of the directors for the year ended 31 March 2015 (*continued*)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

This directors report has been prepared in accordance with the special provisions for small companies under Part 15 and section 417(1) of the Companies Act 2006.

By order of the Board



R A Waterer
Secretary

Date *3 December 2015*

Bentleigh Care Limited

Independent auditor's report

TO THE MEMBERS OF BENTLEIGH CARE LIMITED

We have audited the financial statements of Bentleigh Care Limited for the year ended 31 March 2015 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes. 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 auditors

As explained more fully in the statement of directors' responsibilities, 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 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 31 March 2015 and of its loss 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.

Bentleigh Care Limited

Independent auditor's report (*continued*)

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; or
- the directors were not entitled to prepare the directors' report in accordance with the small companies' regime and to the exemption from the requirement to prepare a strategic report.



*Geraint Jones (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

3 December 2015

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

Bentleigh Care Limited

Profit and loss account for the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Turnover	2	1,971	2,050
Cost of sales		(1,360)	(1,306)
Gross profit		611	744
Administrative expenses		(253)	(326)
Operating profit	4	358	418
Intercompany loans written off		(1,471)	-
Interest payable and similar charges	5	(102)	-
(Loss)/profit on ordinary activities before taxation		(1,215)	418
Taxation on (loss)/profit from ordinary activities	6	-	-
(Loss)/profit on ordinary activities after taxation	12	(1,215)	418

All amounts relate to continuing activities.

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

Bentleigh Care Limited

Statement of total recognised gains and losses for the year ended 31 March 2015

	2015 £'000	2014 £'000
(Loss)/profit for the year	(1,215)	418
Unrealised (deficit)/surplus on revaluation of property	(368)	264
Total recognised (losses)/gains	(1,583)	682


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

Bentleigh Care Limited

Balance sheet at 31 March 2015

<i>Company number 4286432</i>	Note	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Fixed assets					
Tangible assets	7		4,133		4,602
Current assets					
Work in progress		9		-	
Debtors	8	216		1,332	
Cash at bank and in hand		301		440	
		<u>526</u>		<u>1,772</u>	
Creditors: amounts falling due within one year	9	(292)		(178)	
		<u></u>		<u></u>	
Net current assets			234		1,594
Total assets less current liabilities			<u>4,367</u>		<u>6,196</u>
Creditors: amounts falling due after more than one year	10		(2,132)		(2,378)
			<u></u>		<u></u>
Net assets			<u>2,235</u>		<u>3,818</u>
Capital and reserves					
Called up share capital	11		-		-
Revaluation reserve			1,777		2,145
Profit and loss account			458		1,673
			<u></u>		<u></u>
Shareholders' funds	12		<u>2,235</u>		<u>3,818</u>

The financial statements were approved by the Board of Directors and authorised for issue on *3 December 2015*


R H Davis
Director

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

Bentleigh Care Limited

Notes forming part of the financial statements for the year ended 31 March 2015

1 Accounting policies

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

The following principal accounting policies have been applied:

Turnover

Turnover represents income from the provision of property management, and care services and is recognised in the period the service is provided. Turnover also represents income from sales commission recognised on legal completion of the sale.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures, fittings and equipment - 20% - 25% per annum straight line

Freehold land and buildings

Freehold land and buildings are revalued annually to open market value and depreciated as follows:

Freehold buildings	- over 50 years per annum straight line
Freehold land	- Nil

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

Stock and work in progress

Stock and work in progress is stated at the lower of cost and net realisable value.

Cost is taken as the purchase price of the relevant land plus the costs of the relevant building work. Interest charges incurred in financing the relevant land purchase and relevant building costs are expensed to the profit and loss account as incurred.

Deferred tax

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Bentleigh Care Limited

Notes forming part of the financial statements
for the year ended 31 March 2015 (*continued*)

1 Accounting policies (*continued*)

Financial instruments

Financial instruments are measured initially and subsequently at amortised cost. Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

2 Turnover

	2015 £'000	2014 £'000
Care services	1,861	1,955
Property management	24	24
Sales commission	42	35
Deferred membership fee	44	36
	<u>1,971</u>	<u>2,050</u>

Turnover arises solely within the United Kingdom.

3 Employees

	2015 £'000	2014 £'000
Staff costs consist of:		
Wages and salaries	1,012	1,009
Employers national insurance	72	71
	<u>1,084</u>	<u>1,080</u>
The average number of employees during the year was:	Number	Number
Employees (including part time)	<u>72</u>	<u>82</u>

No amounts were paid to the directors in respect to qualifying services (2014 - £Nil).

4 Operating profit

	2015 £'000	2014 £'000
This has been arrived at after charging:		
Depreciation	98	94
Auditors' remuneration - audit services	<u>3</u>	<u>2</u>

Bentleigh Care Limited

Notes forming part of the financial statements
for the year ended 31 March 2015 (*continued*)

5 Interest payable and similar charges

	2015 £'000	2014 £'000
Bank loans	102	-

6 Taxation on (loss)/profit from ordinary activities

	2015 £'000	2014 £'000
Corporation tax charge	-	-
<i>Deferred tax</i>		
Deferred tax charge	-	-
	-	-

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2015 and 31 March 2014.

Factors affecting the tax charge

	2015 £'000	2014 £'000
(Loss)/profit on ordinary activities before tax	(1,215)	418
(Loss)/profit on ordinary activities at the standard rate of corporation tax in the UK of 21% (2014 - 23%)	(255)	96
Effects of:		
Expenses not deductible for tax purposes	311	7
Depreciation for year in excess of capital allowances	18	20
Group relief	(74)	(123)
Current tax charge for year	-	-

Factors that may affect may affect future tax charges

A potential deferred tax liability of approximately £2,000 (2014 - £Nil), mainly in respect of capital allowances, has not been recognised.

The company has no estimated losses £Nil (2014 - £Nil) available to utilise against future trading profits.

Bentleigh Care Limited

Notes forming part of the financial statements
for the year ended 31 March 2015 (*continued*)

7 Tangible assets

	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Total £'000
<i>Cost or valuation</i>			
At 1 April 2014	4,636	100	4,736
Additions	-	4	4
Revaluation	(536)	-	(536)
	<hr/>	<hr/>	<hr/>
At 31 March 2015	4,100	104	4,204
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 April 2014	80	54	134
Charge for the year	81	17	98
Revaluation	(161)	-	(161)
	<hr/>	<hr/>	<hr/>
At 31 March 2015	-	71	71
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 March 2015	4,100	33	4,133
	<hr/>	<hr/>	<hr/>
At 31 March 2014	4,556	46	4,602
	<hr/>	<hr/>	<hr/>

Freehold land and buildings have been valued as at 31 March 2015 by qualified professional external valuers on an open market basis.

The historic cost of freehold land and buildings is £2,769,000.

8 Debtors

	2015 £'000	2014 £'000
Amounts falling due within one year:		
Trade debtors	48	38
Prepayments and accrued income	18	18
Amounts falling due in more than one year:		
Amounts owed by group undertakings	150	1,276
	<hr/>	<hr/>
	216	1,332
	<hr/>	<hr/>

Bentleigh Care Limited

Notes forming part of the financial statements
for the year ended 31 March 2015 (continued)

9 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Trade creditors	32	37
Social security and other taxes	18	19
Other creditors	3	7
Accruals	32	37
Residents funds held in trust	83	78
Bank loans	124	-
	<u>292</u>	<u>178</u>

10 Creditors: amounts falling due after more than one year

	2015 £'000	2014 £'000
Bank loans	2,124	2,376
Accrued interest	8	2
	<u>2,132</u>	<u>2,378</u>

	£
Maturity of debt:	
Between one and two years	124
Between two and five years	2,000
	<u>2,124</u>

The loan is secured over the property which is held at valuation of £4,100,000.

Interest is payable at LIBOR + 3.5% per annum.

11 Share capital

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

Bentleigh Care Limited

Notes forming part of the financial statements
for the year ended 31 March 2015 (continued)

12 Reserves

	Profit and loss account £'000	Revaluation reserve £'000	Total £'000
At 1 April 2014	1,673	2,145	3,818
Loss for the year	(1,215)	-	(1,215)
Revaluation loss	-	(368)	(368)
	<hr/>	<hr/>	<hr/>
At 31 March 2015	458	1,777	2,235
	<hr/>	<hr/>	<hr/>

13 Reconciliation of movements in shareholders' funds

	2015 £'000	2014 £'000
(Loss)/profit for the year	(1,215)	418
Revaluation (loss)/gain	(368)	264
	<hr/>	<hr/>
Net movement to shareholders' funds	(1,583)	682
Opening shareholders' funds	3,818	3,136
	<hr/>	<hr/>
Closing shareholders' funds	2,235	3,818
	<hr/>	<hr/>

14 Related party transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related party disclosures", not to disclose any transactions with members of the group headed by LifeCare Residences Limited on the grounds that at least 100% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

15 Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 "Cash Flow Statements", not to prepare a cash flow statement as it is included in the consolidated financial statements prepared by its intermediate parent company.

16 Ultimate parent company

The company's intermediate parent company is Bentleigh Cross Limited. The ultimate parent company is Lifecare Residences International Limited, which is incorporated in Guernsey.