

Registration number: 04678337

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

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GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
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GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
COMPANY INFORMATION

Chairman M Salter

Chief executive C Walsh

Directors A Knowles
J Masters
T Gowers

Registered office Glenside Manor
Warminster Road
South Newton
Salisbury
Wiltshire
SP2 0QD

Bankers The Royal Bank of Scotland plc
Abbey Gardens
4 Abbey Street
Reading
RG1 3BA

Auditors Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and the financial statements for the year ended 31 March 2014.

Directors of the company

The directors who held office during the year were as follows:

D Cole (resigned 24 September 2014)

J Wilson-Kilgour (resigned 13 December 2013)

A Knowles

J Masters

M Salter - Chairman

T Gowers

T Jones (appointed 14 May 2013 and resigned 06 August 2013)

C Walsh - Chief executive (appointed 25 February 2014)

M Campton (appointed 28 March 2014 and resigned 30 June 2014)

Employment of disabled persons

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Employee involvement

The company's policy is to consult and discuss with employees, through regular operational meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

Future developments

The detailed regulatory scrutiny of the healthcare sector is expected to continue, which is likely to create a barrier to entry for new providers and put pressure on competitors. In addition, the fall out and uncertainty in the commissioning market as a result of the changeover from Primary Care Trusts to Clinical Commissioning Groups, the National Commissioning Board to NHS England and the introduction of Commissioning Support Units continues. However, the directors are confident that the company is close enough to, and has sufficient knowledge of, the market so it can capitalise on these changes and uncertainty, expecting to improve its performance in the future. The directors remain committed in developing new services and will therefore continue to trade as a going concern.

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2014


Disclosure of information to the auditor

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Reappointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 3 April and signed on its behalf by:


.....
T Gowers
Director

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The directors present their strategic report and the financial statements for the year ended 31 March 2014.

Business review

Fair review of the business

The results for the year, which are set out in the profit and loss account, show turnover for the year of £11,226,355 (2013: £11,268,005). The company has tangible and intangible fixed assets valued at net book value amounting to £19,133,045 (2013: £19,502,955).

The company uses a number of key performance indicators to monitor and improve development, performance or the position in the market of the services it provides. These include regular measures of staffing levels, occupancy, demand profiling and quality and outcome measures. The directors do not consider the inclusion of an analysis using key performance indicators to be necessary to assist users of the financial statements in their understanding of the financial performance or position of the company.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to the continued provision of adequate government funding and the ongoing compliance with current and future legislation affecting the sector and reputational risk.

The business operates in a regulated environment within which there have been regulatory failings and a heightened public interest in the sector over the last few years. All services in the business were inspected in the year and were found to be fully compliant against all standards inspected by its regulator, the Care Quality Commission.

The Directors recognise that the provision of specialist care services carries important responsibilities and a number of clinical, operational, and reputational risks. The Directors have taken, and continue to review, all necessary measures to appropriately manage, report, and mitigate such risks, which have increased the cost base of the business. During the year, the directors continued to invest in a number of improvements to the estate, systems and processes, and to reposition some services. The financial results for this year include higher running costs and a number of exceptional costs in relation to improvements made, and reflect a reduced occupancy level during the repositioning exercises. The last quarter of this financial year and post year end have seen occupancy levels increasing and the cost base returning to normalised levels.

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2014

Financial instruments

Price risk , credit risk, liquidity risk and cash flow risk

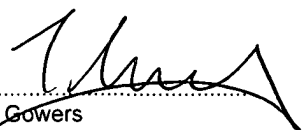
The company is exposed to the usual credit and cash flow risk associated with selling on credit and manages this through credit control procedures. The board constantly monitors the company's trading results and revises projections as appropriate to ensure that the company can meet its future obligations as they fall due.

Going concern

The group had net liabilities at the year end and is reliant on the support of its financiers who have indicated that they will continue to support the group for the foreseeable future. After the year end, the bank facilities were renegotiated and the maturity date extended by 2 years until 2019.

The directors have prepared forecasts for the 12 months after the signing of these accounts that indicate that the company will have adequate cash resources to meet its working capital requirements and financial commitments. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Approved by the Board on 30 Oct 2014 and signed on its behalf by:


.....
T Gowers
Director

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENSIDE MANOR HEALTHCARE SERVICES LIMITED

We have audited the financial statements of Glenside Manor Healthcare Services Limited for the year ended 31 March 2014, set out on pages 9 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 6), 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 2014 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 matter prescribed by the Companies Act 2006


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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GLENSIDE MANOR HEALTHCARE SERVICES 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.


.....
Andrew Brookes (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditors

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 3/10/14

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014

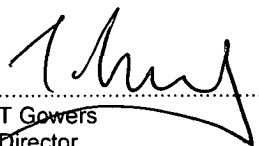
	Note	2014 £	2013 £
Turnover	2	11,226,355	11,268,005
Cost of sales		<u>(8,817,004)</u>	<u>(8,877,668)</u>
Gross profit		2,409,351	2,390,337
Administrative expenses		<u>(2,866,145)</u>	<u>(2,480,259)</u>
Other operating income		54,765	56,394
Operating loss before exceptional expenses	3	<u>(402,029)</u>	<u>(33,528)</u>
Exceptional administrative expenses	4	<u>(323,872)</u>	<u>(671,194)</u>
Operating loss		<u>(725,901)</u>	<u>(704,722)</u>
Loss on disposal of freehold property		(28,723)	(61,755)
Other interest receivable and similar income	7	53	744
Interest payable and similar charges	8	<u>(1,833,996)</u>	<u>(1,674,386)</u>
Loss on ordinary activities before taxation		<u>(2,588,567)</u>	<u>(2,440,119)</u>
Tax on loss on ordinary activities	9	<u>463,810</u>	<u>359,432</u>
Loss for the financial year	17	<u><u>(2,124,757)</u></u>	<u><u>(2,080,687)</u></u>

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED**(REGISTRATION NUMBER: 04678337)****BALANCE SHEET****AS AT 31 MARCH 2014**

	Note	2014 £	2013 £
Fixed assets			
Intangible fixed assets	10	450,000	500,000
Tangible fixed assets	11	18,683,045	19,002,955
		<u>19,133,045</u>	<u>19,502,955</u>
Current assets			
Stocks	12	50,277	53,050
Debtors	13	1,147,164	835,568
Cash at bank and in hand		7,359	215,763
		<u>1,204,800</u>	<u>1,104,381</u>
Creditors: Amounts falling due within one year	14	(1,402,144)	(1,457,408)
Net current liabilities		<u>(197,344)</u>	<u>(353,027)</u>
Total assets less current liabilities		<u>18,935,701</u>	<u>19,149,928</u>
Creditors: Amounts falling due after more than one year	15	23,341,669	21,431,139
		<u>23,341,669</u>	<u>21,431,139</u>
Capital and reserves			
Called up share capital	16	102	102
Profit and loss account	17	(4,406,070)	(2,281,313)
Shareholders' deficit	18	(4,405,968)	(2,281,211)
Total capital, reserves and long term liabilities		<u>18,935,701</u>	<u>19,149,928</u>

Approved by the Board and authorised for issue on 30/03/14 and signed on its behalf by:
.....
T Gowers
Director

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group.

Going concern

The group had net liabilities at the year end and is reliant on the support of its financiers who have indicated that they will continue to support the group for the foreseeable future. After the year end, the bank facilities were renegotiated and the maturity date extended by 2 years until 2019.

The directors have prepared forecasts for the 12 months after the signing of these accounts that indicate that the company will have adequate cash resources to meet its working capital requirements and financial commitments. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover represents amounts chargeable in respect of the provision of care. Where the amount covers the balance sheet date, that amount is apportioned over the period to which it relates.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life of 20 years. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Tangible fixed assets and depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	20% on cost
Office equipment	33% on cost
Motor vehicles	25% on reducing balance
Freehold Buildings	1% on cost
Land	Not depreciated

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating loss

Operating loss is stated after charging:

	2014	2013
	£	£
Operating leases - plant and machinery	69,439	74,093
Loss on sale of tangible fixed assets	786	-
Depreciation	621,616	582,579
Amortisation	50,000	50,000
Auditor's remuneration - The audit of the company's annual accounts	9,800	9,790
Auditors' remuneration - non audit work	<u>4,160</u>	<u>4,009</u>

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

4 Exceptional administrative expenses

	2014 £	2013 £
Exceptional directors remuneration	-	146,655
Exceptional administrative expenses	<u>323,872</u>	<u>524,539</u>
	<u><u>323,872</u></u>	<u><u>671,194</u></u>

Exceptional administrative expenses for 2014 comprise of non-recurring recruitment costs of £81,000, non-recurring consultancy costs of £90,300, restructuring costs of £34,600, service improvement related costs of £96,200 and other exceptional costs of £21,772.

Exceptional administrative expenses for 2013 comprises of non-recurring redundancy costs of £69,919, service improvement related costs of £345,355, recruitment fees of £46,266 and professional fees of £62,999.

5 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2014 No.	2013 No.
Management and administration	63	64
Nursing	<u>327</u>	<u>346</u>
	<u><u>390</u></u>	<u><u>410</u></u>

The aggregate payroll costs were as follows:

	2014 £	2013 £
Wages and salaries	7,640,997	7,135,074
Social security costs	556,988	703,045
Staff pensions	<u>32,642</u>	<u>57,991</u>
	<u><u>8,230,627</u></u>	<u><u>7,896,110</u></u>

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2014 £	2013 £
Remuneration (including benefits in kind)	562,802	532,661
Company contributions paid to money purchase schemes	20,125	34,829
Compensation for loss of office	<u>-</u>	<u>146,655</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2014 No.	2013 No.
Accruing benefits under money purchase pension scheme	<u>5</u>	<u>5</u>

In respect of the highest paid director:

	2014 £	2013 £
Remuneration	200,000	143,926
Compensation for loss of office	<u>-</u>	<u>125,433</u>

7 Other interest receivable and similar income

	2014 £	2013 £
Bank interest receivable	<u>53</u>	<u>744</u>

8 Interest payable and similar charges

	2014 £	2013 £
Finance costs adjacent to interest	102,913	235,591
Interest on loans from group undertakings	1,729,204	1,438,741
Interest on bank borrowings	<u>1,879</u>	<u>54</u>
	<u>1,833,996</u>	<u>1,674,386</u>

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

9 Taxation

Tax on loss on ordinary activities

	2014	2013
	£	£
Current tax		
Group relief receivable	(203,453)	-
Deferred tax		
Origination and reversal of timing differences	(260,357)	(359,432)
Total tax on loss on ordinary activities	<u>(463,810)</u>	<u>(359,432)</u>

Factors affecting current tax charge for the year

Tax on loss on ordinary activities for the year is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 23% (2013 - 24%).

The differences are reconciled below:

	2014	2013
	£	£
Loss on ordinary activities before taxation	(2,588,567)	(2,440,119)
Corporation tax at standard rate	(595,370)	(585,629)
Depreciation in excess of capital allowances	(2,710)	20,532
Short term timing differences	2,134	7,448
Expenses not deductible for tax purposes	964	15,408
Tax losses carried forward	391,529	387,703
Group relief of losses to parent company	-	154,538
Total current tax	<u>(203,453)</u>	<u>-</u>

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

10 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 April 2013 and at 31 March 2014	1,000,000
Amortisation	
At 1 April 2013	500,000
Charge for the year	50,000
At 31 March 2014	<u>550,000</u>
Net book value	
At 31 March 2014	<u>450,000</u>
At 31 March 2013	<u>500,000</u>

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total £
Cost					
At 1 April 2013	17,885,597	2,936,784	55,599	196,469	21,074,449
Additions	91,936	258,813	36,650	78,915	466,314
Disposals	(166,667)	-	(16,100)	-	(182,767)
At 31 March 2014	<u>17,810,866</u>	<u>3,195,597</u>	<u>76,149</u>	<u>275,384</u>	<u>21,357,996</u>
Depreciation					
At 1 April 2013	230,580	1,687,478	27,680	125,756	2,071,494
Charge for the year	136,203	418,966	13,225	53,222	621,616
Eliminated on disposals	(4,305)	-	(13,854)	-	(18,159)
At 31 March 2014	<u>362,478</u>	<u>2,106,444</u>	<u>27,051</u>	<u>178,978</u>	<u>2,674,951</u>
Net book value					
At 31 March 2014	<u>17,448,388</u>	<u>1,089,153</u>	<u>49,098</u>	<u>96,406</u>	<u>18,683,045</u>
At 31 March 2013	<u>17,655,017</u>	<u>1,249,306</u>	<u>27,919</u>	<u>70,713</u>	<u>19,002,955</u>

Included within the net book value of tangible fixed assets is £29,778 (2013 - £nil) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £6,872 (2013 - £nil).

Freehold land of £3,000,000 is not depreciated.

12 Stocks

	2014 £	2013 £
Stocks	<u>50,277</u>	<u>53,050</u>

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

13 Debtors

	2014 £	2013 £
Trade debtors	325,656	263,235
Other debtors	10,111	21,459
Deferred tax	643,743	383,386
Prepayments and accrued income	167,654	167,488
	<u>1,147,164</u>	<u>835,568</u>

Deferred tax

The movement in the deferred tax asset in the year is as follows:

	£
At 1 April 2013	383,386
Deferred tax credited to the profit and loss account	<u>260,357</u>
At 31 March 2014	<u>643,743</u>

Analysis of deferred tax

	2014 £	2013 £
Difference between accumulated depreciation and amortisation and capital allowances	(138,190)	(107,305)
Tax losses available	<u>781,933</u>	<u>490,691</u>
	<u>643,743</u>	<u>383,386</u>

14 Creditors: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	592,516	661,582
Bank overdraft	151,822	-
Obligations under finance lease and hire purchase contracts	10,316	-
Other taxes and social security	166,531	165,164
Other creditors	164,106	210,886
Accruals and deferred income	<u>316,853</u>	<u>419,776</u>
	<u>1,402,144</u>	<u>1,457,408</u>

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

15 Creditors: Amounts falling due after more than one year

	2014 £	2013 £
Obligations under finance lease and hire purchase contracts	16,964	-
Amounts owed to group undertakings	<u>23,324,705</u>	<u>21,431,139</u>
	<u>23,341,669</u>	<u>21,431,139</u>

16 Share capital

Allotted, called up and fully paid shares

	2014		2013	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100
'A' Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	<u>102</u>	<u>102</u>	<u>102</u>	<u>102</u>

Each class of shares rank pari passu in all respects.

17 Reserves

	Profit and loss account £
At 1 April 2013	(2,281,313)
Loss for the year	<u>(2,124,757)</u>
At 31 March 2014	<u>(4,406,070)</u>

18 Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Loss attributable to the members of the company	<u>(2,124,757)</u>	<u>(2,080,687)</u>
Net reduction to shareholders' funds	<u>(2,124,757)</u>	<u>(2,080,687)</u>
Shareholders' deficit at 1 April	<u>(2,281,211)</u>	<u>(200,524)</u>
Shareholders' deficit at 31 March	<u>(4,405,968)</u>	<u>(2,281,211)</u>

GLENSIDE MANOR HEALTHCARE SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

19 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £32,642 (2013 - £57,991).

20 Contingent liabilities

The company is bound by an intra-group cross guarantee in respect of bank and other debt with other members of the group headed by its ultimate parent undertaking, Glenside Care Group Limited. The amount guaranteed is £11,450,000 (2013: £11,850,000).

21 Commitments

Operating lease commitments

As at 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2014	2013
	£	£
Other		
Within one year	33,588	13,114
Within two and five years	20,522	187,704
	<u>54,110</u>	<u>200,818</u>

22 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

During the year the company paid finance costs of £102,913 (2013: £235,591) to Bowmark Capital LLP, its ultimate controlling party.

23 Control

The company is controlled by its ultimate and only parent company Glenside Care Group Limited, a company registered in England and Wales. Glenside Care Group Limited is ultimately controlled by funds managed by Bowmark Capital LLP, an entity incorporated in England and Wales and which is considered to have no single controlling party.