

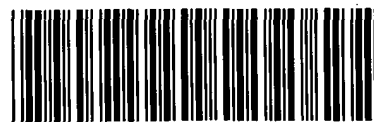
Aitch Care Homes (London) Limited

Annual report and financial statements

Registered number 05016149

16 March 2018

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CONTENTS

Strategic Report	3
Directors' report	4
Statement of directors' responsibilities in respect of the financial statements	6
Independent auditor's report to the members of Aitch Care Homes (London) Limited	7
Statement of Income and Retained Earnings	9
Balance sheet	10
Notes	11

STRATEGIC REPORT

Principal activities and review of business

The principal activity of the Company continued to be that of the provision of care for people with learning difficulties and mental health issues.

Review of the business

The Company's results are in line with expectation.

The key financial highlights are as follows:

	52 weeks ending 16 March 2018 £000's	52 weeks ending 17 March 2017 £000's
Turnover	20,978	17,931
Operating profit margin	32%	21%
Profit before tax	6,216	5,342

Key performance indicators for the company include the following –

The company is a registered care provider and is inspected by CQC (the English care regulator). At the year end, the group had a compliance rate of 94% across registered services. This is significantly higher than the industry average. Quality is the key driver of everything that the group does.

As at March 2018, the group provided care across approximately 26 services which comprised 261 available bedrooms. The occupancy rate within those services was in excess of 95%.

Galaxy Group Midco Limited Group manages its operations centrally. For this reason, the Company Directors believe further key performance indicators specific to the Company are not necessary or appropriate other than shown above for an understanding of the development, performance or position of the business.

Description of principal risks and uncertainties

The principal risks associated with the Company include the continuing need to monitor and maintain quality of service provision for its service users. As a provider of specialist healthcare services the Company is reliant upon the policies of the current and future governments.

The Company needs to ensure that it can maintain strong internal controls and procedures.

By order of the Board



Michael Hawkes

Director

Date:

13/7/18

DIRECTORS' REPORT

Research and development

The company undertook no research and development in the current year.

Financial instruments

Funding for all subsidiaries of Galaxy Group Midco Limited, including Aitch Care Homes (London) Limited, is arranged centrally. The Group's risk management policy, which includes the Company, is discussed in the Group's Annual Report, which does not form part of this Report.

The Company does not use derivatives to manage its financial risks. Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet the main financial risk the Directors consider relevant to this Company is credit risk. This risk is mitigated by the Company's credit control policies.

The Company's principal financial instruments comprise bank balances, trade creditors and trade debtors.

The Company's approach to managing other risks applicable to financial instruments shown below:

- In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest.
- Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to purchasing authorities and the regular monitoring of amounts outstanding for both time and credit limits.
- Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors

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

S Foxall-Smith (resigned 12th January 2018)

M Hawkes

C Edmond

G Mullan (resigned 12th January 2018)

O Harris (resigned 12th January 2018)

Employees

The Company's policy is to consult and discuss with employees, through unions, staff councils or at meetings, matters likely to affect employees' interests. Information of matters of concern to employees is given through information bulletins, newsletters and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Group's performance.

The Group'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.

DIRECTORS' REPORT *(continued)*

Political contributions

The Company made no political donations or incurred any political expenditure during the year.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Other information

There were no developments or significant events which have occurred since the year end which should be included in the Strategic Report.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



Michael Hawkes
Director

Date

13/7/18

Aitch Care Homes (London) Limited
Unit 6 & 7 Princeton Mews
167-169 London Road
Kingston Upon Thames
Surrey
KT2 6PT

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 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
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AITCH CARE HOMES (LONDON) LIMITED

Opinion

We have audited the financial statements of Aitch Care Homes (London) Limited ("the company") for the period ended 16th March 2018 which comprise the Statement of Income and Retained Earnings, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 16th March 2018 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AITCH CARE HOMES (LONDON) LIMITED (continued)

Directors' responsibilities

As explained more fully in their statement 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Mark Sheppard (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Crawley, United Kingdom

Date:

13 July 2018

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR PERIOD ENDED 16 MARCH 2018**

		52 weeks ending 16 March 2018 £000's	52 weeks ending 17 March 2017 £000's
	Notes		
Turnover	2	20,978	17,931
Cost of sales		(11,777)	(10,756)
Gross profit		9,201	7,175
Administrative expenses		(2,480)	(3,415)
Operating profit		6,721	3,760
Interest payable and similar charges	5	(523)	(490)
Income from shares in group undertakings		-	3,597
Amounts written off investments		-	(1,525)
Profit and loss on disposal		18	-
Profit before taxation		6,216	5,342
Tax (charge) on profit	6	(521)	(82)
Profit after taxation		5,695	5,260
Retained earnings brought forward		4,621	(639)
Profit for the year		5,695	5,260
Retained earnings carried forward		10,316	4,621

All of the activities are continuing. The company incurred no Other Comprehensive Income or expenses in the period.

The accompanying notes on pages 11 to 19 form part of the Financial Statements.

BALANCE SHEET
AT 16 MARCH 2018

	Notes	16 March 2018 £000's	17 March 2017 £000's
Fixed assets			
Tangible assets	7	35,999	36,193
Investments	8	-	-
		<hr/>	<hr/>
		35,999	36,193
		<hr/>	<hr/>
Current assets			
Debtors	9	1,620	1,048
Cash at bank and in hand		459	6,051
		<hr/>	<hr/>
		2,079	7,099
		<hr/>	<hr/>
Creditors: amounts falling due within one year	10	(20,095)	(30,887)
		<hr/>	<hr/>
Net current liabilities		(18,016)	(23,788)
		<hr/>	<hr/>
Total assets less current liabilities		17,983	12,405
		<hr/>	<hr/>
Provisions for liabilities	12	-	(117)
		<hr/>	<hr/>
Net assets		17,983	12,288
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	11	1	1
Share Premium Reserve	14	1,000	1,000
Revaluation reserve	14	6,666	6,666
Profit and loss account	14	10,316	4,621
		<hr/>	<hr/>
Shareholders' funds		17,983	12,288
		<hr/>	<hr/>

The accompanying notes on pages 11 to 19 form part of the Financial Statements.

These financial statements were approved by the board of directors on 13/7/18 and were signed on its behalf by:



Michael Hawkes
Director

Company registered number: 05016149

NOTES

(forming part of the financial statements)

1 Accounting policies

Aitch Care Homes (London) Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK registered in England in the UK. The registered number is 05016149 and the registered address is Princeton Mews, Unit 7, 167-169 London Road, Kingston Upon Thames, Surrey, KT2 6PT.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company’s parent undertaking, Galaxy Group Midco Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Galaxy Group Midco are available to the public and may be obtained from Unit 6 & 7, Princeton Mews, 167-169 London Road, Kingston Upon Thames, Surrey, KT2 6PT. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of the ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. Judgements made by the directors, in the application of these accounting policies have not had a significant effect on the financial statements.

NOTES (continued)

1 Accounting policies (continued)

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: certain items of property.

1.2 Going concern

The Company is a member of the Group headed by Galaxy Group Midco Limited and guarantees the obligations of the Group's borrowers under the facilities agreements. Disclosures relating to the going concern assumption adopted by Galaxy Group Midco Limited are included in the accounts of that Company.

The Group is the borrower of a £131.5m bank loan, due for repayment in January 2023. The Company and Group have prepared cash flow and covenant forecasts which support the Group's ability to fund the bank loan for at least 12 months from the date of the audit report. After making enquiries, and taking into account the cash flow and covenant forecasts of Galaxy Group Midco Limited Group, the Directors have a reasonable expectation that the Group and the Company have adequate resources for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

1.3 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of tangible fixed assets that had been revalued to fair value prior to the date of transition to FRS102 are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- buildings 50 years
- plant and equipment 2- 5 years
- fixtures and fittings 2- 5 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits

NOTES (continued)

1 Accounting policies (continued)

1.5 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.6 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.8 Expenses

Operating leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

1.9 Turnover

Turnover represents amounts receivable for services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

1.10 Interest receivable and interest payable

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

NOTES (continued)

2 Turnover

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

3 Expenses and auditor's remuneration

	52 weeks ending 16 March 2018 £000's	52 weeks ending 17 March 2017 £000's
Audit of these financial statements	12	12
Operating leases – Plant and machinery	34	34
	<hr/>	<hr/>

4 Staff numbers and costs

Number of employees	52 weeks ending 16 March 2018 No.	52 weeks ending 17 March 2017 No.
The average monthly number of employees (excluding Directors) during the period was:		

Residents' care and maintenance	629	568
	<hr/>	<hr/>

Employment costs

	2018 £000's	2017 £000's
Wages and salaries	9,739	8,699
Social security costs	650	573
Pension costs	43	5
	<hr/>	<hr/>
	10,432	9,277
	<hr/>	<hr/>

No Directors received remuneration from the Company during the year. (2017:£nil)

5 Interest payable and similar charges

	52 weeks ending 16 March 2018 £000's	52 weeks ending 17 March 2017 £000's
Intercompany interest	(523)	(490)
	<hr/>	<hr/>

NOTES (continued)

6 Taxation

	52 weeks ending 16 March 2018 £000's	52 weeks ending 17 March 2017 £000's
Current Tax		
UK corporation tax	362	5
Adjustment for prior years	265	-
	<hr/>	<hr/>
Current tax	627	5
	<hr/>	<hr/>
Deferred tax		
Deferred tax charge	11	35
Adjustments in respect of prior periods	(117)	35
Effect of tax rate changes	-	7
	<hr/>	<hr/>
Total deferred tax charge	(106)	77
	<hr/>	<hr/>
Total tax charge on profit	521	82
	<hr/>	<hr/>
Factors affecting the tax charge for the period		
Profit before taxation	6,216	5,342
	<hr/>	<hr/>
Profit before taxation multiplied by standard rate of UK corporation tax of 19% (2017: 20%)	1,184	1,068
Effects of:		
Fixed asset differences – ineligible depreciation	219	245
Group relief	(1,030)	(920)
Expenses not deductible for tax purposes	-	55
Adjustments in respect of prior periods	148	40
Non taxable /deductible items	-	(382)
Other movements	-	(24)
	<hr/>	<hr/>
	(663)	(986)
	<hr/>	<hr/>
Total tax charge	521	82
	<hr/>	<hr/>

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. A further reduction to the UK corporation tax rate was announced in the 2016 Budget to further reduce the tax rate to 17% (to be effective from 1 April 2020). This will reduce the company's future current tax charge accordingly. There are no other factors that may significantly impact the future tax charge.

NOTES (continued)

7 Tangible fixed assets

	Freehold land and buildings £000's	Plant and machinery £000's	Total £000's
Cost			
At 17 March 2017	40,506	3,254	43,760
Additions	433	501	934
Disposals	(6)	(241)	(247)
	<hr/>	<hr/>	<hr/>
At 16 March 2018	40,933	3,514	44,447
	<hr/>	<hr/>	<hr/>
Depreciation			
At 17 March 2017	5,127	2,440	7,567
Charge for the period	1,024	98	1,122
Disposals	-	(241)	(241)
	<hr/>	<hr/>	<hr/>
At 16 March 2018	6,151	2,297	8,448
	<hr/>	<hr/>	<hr/>
Net book value			
At 17 March 2017	35,379	814	36,193
	<hr/>	<hr/>	<hr/>
At 16 March 2018	34,782	1,217	35,999
	<hr/>	<hr/>	<hr/>

The total value of land and buildings is pledged as security against the group loan facility. The bank holds a fixed and floating charge over the company's assets.

NOTES (continued)

8 Fixed asset investments

	Shares in Group undertakings £000's
Cost	
At 17 March 2017	-
At 16 March 2018	-

The Company holds more than 20% of the share capital of the following companies:

Company	Principal activity
---------	--------------------

Subsidiary undertakings

Aitch Care Homes (Woking) Limited Dormant company

All subsidiaries are incorporated in Great Britain and are all wholly owned. The registered office for Aitch Care Homes (London) Limited and all of its subsidiary undertakings is Unit 6 & 7, Princeton Mews, 167-169 London Road, Kingston Upon Thames, Surrey, KT2 6PT.

9 Debtors

	2018 £000's	2017 £000's
Trade debtors	1,374	801
Deferred tax asset (see note 12)	106	117
Prepayments and Accrued income	140	130
	<u>1,620</u>	<u>1,048</u>

10 Creditors: amounts falling due within one year

	2018 £000's	2017 £000's
Trade creditors	105	101
Amounts owed to Group undertakings	17,459	29,149
Accruals and deferred income	724	671
Other tax and social security	272	138
Corporation Tax	627	122
Other Creditors	908	706
	<u>20,095</u>	<u>30,887</u>

NOTES (continued)

11 Called up share capital

	2018	2017
	£	£
Called up, allotted and fully paid:		
100,000 ordinary shares of £0.01 each	1,000	1,000
	<hr/>	<hr/>

12 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Deferred tax £000's
Balance at 17 March 2017 – debtor	(117)
Balance at 17 March 2017 – creditor	117
Charge to profit and loss account	(106)
	<hr/>
Balance at 16 March 2018	(106)
	<hr/>

The deferred tax asset is made up as follows:

	2018 £000's
Accelerated capital allowances	(99)
Short term timing differences	(7)
	<hr/>
Balance at 16 March 2018	(106)
	<hr/>

13 Employee benefits

The Company operates a defined contribution pension scheme. The assets of the schemes are held separately from those of the Company in independently administered pension funds. The pension cost charge includes contributions payable by the Company of £43k.

NOTES (continued)

14 Reserves

	Share Premium reserve £000's	Revaluation reserve £000's	Profit and loss account £000's
Balance at 17 March 2017	1,000	6,666	4,621
Profit and loss for the period	-	-	5,695
	<hr/>	<hr/>	<hr/>
Balance at 17 March 2017	1,000	6,666	10,316
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

15 Commitments

Non cancellable operating lease rentals are payable as follows:

	2018 £000's	2017 £000's
Less than one year	34	34
Between one and five years	35	69
More than five years	-	-
	<hr/>	<hr/>
	69	103
	<hr/> <hr/>	<hr/> <hr/>

During the year £34k was recognised as an expense in the profit and loss account in respect of operating leases. (2016 - £34k).

16 Contingent Liabilities

The Company, together with the other Group companies, has guaranteed the Group's obligations under the Group bank facility. The total liability for the loan at year end is £131.9m.

17 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Aitch Care Homes Holdco Limited and the ultimate Parent Company was AMP Capital Investors (European Infrastructure No 5) S.à.r.l. incorporated in Luxembourg. The directors do not consider that there is an ultimate controlling party of the company but it is held by funds managed by AMP Capital Investments (UK) Limited which was incorporated in the UK.

The smallest and largest Group into which the results of Aitch Care Homes (London) Limited are consolidated is Galaxy Group Bidco Limited and Galaxy Group Midco Limited respectively. The consolidated accounts of both companies may be obtained from the Company's registered address at Level 4, Berkeley Square House, Berkeley Square, London, United Kingdom, W1J 6BX.

18 Subsequent events

There were no subsequent events after the balance sheet date that would materially impact the financial statements.