

**BRAMLEY COURT (CARE HOMES)
LIMITED**

Annual Report and Financial Statements

For the year ended 30 September 2015



**Annual report and financial statements
for the year ended 30 September 2015**

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**Annual report and financial statements
for the year ended 30 September 2015**

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

E J Coyle (resigned 26 January 2015)
G Sizer
P H Scott

COMPANY SECRETARY

G Sizer

REGISTERED OFFICE

2nd Floor
Tirrem House
16 High Street
Yarm
TS15 9AE

BANKER

Ulster Bank Limited
11-16 Donegall Square East
Belfast
BT7 5UB

SOLICITOR

DLA Piper UK LLP
Princes Exchange
Princes Square
Leeds
LS1 4BY

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Newcastle upon Tyne
NE1 2HF
United Kingdom

DIRECTORS' REPORT
for the year ended 30 September 2015

The directors present their annual report, together with the audited financial statements and independent auditor's report for the year ended 30 September 2015.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

ACTIVITIES

The principal activity of the company during the year has been the letting of property to Zest Care Homes Limited, a fellow group company.

DIRECTORS

The directors who served throughout the year and since were as follows:

E J Coyle (resigned 26 January 2015)

G Sizer

P H Scott

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies note, on page 8, of the financial statements.

AUDITOR

Each of the persons who are directors of the company at the date of this report confirms that:

- So far as the director is aware there is no relevant audit information of which the company's auditor is unaware, and
- The director has taken all 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 auditor is aware of this information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



G K Sizer
Director

26 June 2016

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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;
- 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 MEMBER OF BRAMLEY COURT (CARE HOMES) LIMITED

We have audited the financial statements of Bramley Court (Care Homes) Limited for the year ended 30 September 2015 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 14. 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 member, 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 member 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 member, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 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 annual 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 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 matter 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BRAMLEY COURT (CARE HOMES) LIMITED (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 take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.



David Johnson BA FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Newcastle Upon Tyne, United Kingdom

27 June 2016

PROFIT AND LOSS ACCOUNT
for the year ended 30 September 2015

	Note	2015 £	2014 £
TURNOVER	1	-	330,000
Administrative expenses		<u>(101)</u>	<u>(218)</u>
OPERATING PROFIT		(101)	329,782
Interest payable and similar charges		<u>(113,235)</u>	<u>(318,369)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(113,336)	11,413
Tax on profit on ordinary activities	4	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR	11	<u><u>(113,336)</u></u>	<u><u>11,413</u></u>

All activities derive from continuing operations.

The notes on pages 8 – 12 form an integral part of these financial statements.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
Year ended 30 September 2015

	2015 £	2014 £
(Loss)/ profit for the financial year	(113,336)	11,413
Unrealised deficit on revaluation of fixed assets	<u>-</u>	<u>(950,000)</u>
Total recognised losses relating to the year	<u><u>(113,336)</u></u>	<u><u>(938,587)</u></u>

BRAMLEY COURT (CARE HOMES) LIMITED

BALANCE SHEET 30 September 2015

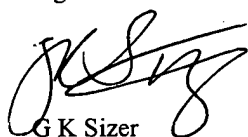
	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	5	6,000,000	6,000,000
CURRENT ASSETS			
Debtors	6	80,242	330,000
CREDITORS: amounts falling due within one year	7	-	(136,422)
NET CURRENT ASSETS		80,242	193,578
TOTAL ASSETS LESS CURRENT LIABILITIES		6,080,242	6,193,578
CREDITORS: amounts falling due after more than one year	8	(2,466,029)	(2,466,029)
NET ASSETS		3,614,213	3,727,549
CAPITAL AND RESERVES			
Called up share capital	9	1	1
Profit and loss account	10	466,016	579,352
Investment revaluation reserve	10	3,148,196	3,148,196
SHAREHOLDERS' FUNDS	11	3,614,213	3,727,549

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

The notes on pages 8 – 12 form an integral part of these financial statements.

The financial statements of Bramley Court (Care Homes) Limited registered number 05107197 were approved by the Board of Directors on 26 June 2016

Signed on behalf of the Board of Directors



G K Sizer

Director

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2015**

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted by the directors are described below, and have been applied consistently for the current and preceding financial year.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards.

Going concern

In previous years the company was party to an omnibus agreement with Ulster Bank to secure group borrowings. All external bank borrowings have been repaid in the financial year.

In January 2015 the group disposed of Iceni House Care home and the net sales consideration of £4.1m was used to repay group borrowings. In March 2015 the residual borrowings were successfully refinanced under a new £4 million term loan facility expiring in April 2018.

The group funds ongoing working capital requirements and interest payments through its cash balance and cash generated from trading.

The group and company's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the group and company should be able to operate comfortably within the level of the new term loan facility.

On this basis the directors have a reasonable expectation that the group and company will be able to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover represents amounts receivable in respect of rental income on investment properties, and is derived from the company's principal activity. All turnover originates in the United Kingdom.

Rental income from operating leases is recognised in line with the terms of the relevant lease.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings: 50 years

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 30 September 2015

1. Accounting policies (continued)

Revaluation of properties

A full independent valuation of freehold properties is performed every five years with an interim valuation every three years. The surplus or deficit on the book value is transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. A deficit which represents a clear consumption of economic benefits is charged to the profit and loss account regardless of any such previous surplus. On an annual basis the director assesses the carrying value of freehold and leasehold properties, to determine if there has been a material change in value, and if in his judgement the carrying value is appropriate. No annual transfer is made between the revaluation reserve and the profit and loss account to reflect the excess depreciation charged on the revalued portion of the asset.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax liabilities are not discounted.

Cash flow statement

The company is not presenting a cash flow statement in accordance with the exemption in FRS 1 'Cash Flow Statements'. The company qualifies as a small company in companies legislation.

2. EMPLOYEES

The average number of employees (including directors) were:

	2015	2014
	No.	No.
Directors	<u>2</u>	<u>3</u>

No emoluments were received or are receivable by any director in respect of services during the current or preceding year.

3. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	2015	2014
	£	£
Auditor's remuneration:		
- fees payable to company's auditor for the audit of the company's annual financial statements	<u>2,000</u>	<u>2,000</u>

Audit fees are paid by another group company. Fees payable to the Company's auditor for non-audit services amounting to £1,400 have been paid by another group company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 30 September 2015

4. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

i) Analysis of tax charge on ordinary activities

	2015	2014
	£	£
United Kingdom corporation tax on the profit/(loss) for the year	-	-
Deferred tax	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	-
	<hr/>	<hr/>

ii) Factors affecting tax charge for the current year.

The tax assessed for the year is lower than that resulting from applying the standard rate of corporation tax in the UK: 20.5% (2014: 22%).

The differences are explained below:

	2015	2014
	£	£
Profit/(loss) on ordinary activities before tax	(113,336)	11,413
	<hr/>	<hr/>
Tax at 20.5% (2014: 22%) thereon:	(23,232)	2,511
Group relief not paid for	10,393	(2,511)
Tax losses not utilised	12,839	-
	<hr/>	<hr/>
Current tax charge for the year	-	-
	<hr/>	<hr/>

5. TANGIBLE FIXED ASSETS

	Freehold property
	£
Valuation	
At 1 October 2014	6,000,000
Impairment	-
	<hr/>
At 30 September 2015	6,000,000
	<hr/>
Net book value	
At 30 September 2015	6,000,000
	<hr/>
At 30 September 2014	6,000,000
	<hr/>

The property has been valued by the directors based on their assessment of open market value.

If the property had not been revalued it would have been included at £2,851,804 according to the historical cost convention.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 30 September 2015

6. DEBTORS

	2015	2014
	£	£
Amounts due from group undertakings	<u>80,242</u>	<u>330,000</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Amounts owed to group undertakings	-	107,670
Accruals and deferred income	<u>-</u>	<u>28,752</u>
	<u>-</u>	<u>136,422</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015	2014
	£	£
Amounts owed to group undertakings	<u>2,466,029</u>	<u>2,466,029</u>

The amounts owed to group undertakings are currently interest free and are not repayable within the next 12 months.

9. CALLED-UP SHARE CAPITAL

	2015	2014
	£	£
<i>Allotted, called-up and fully paid</i> 1 ordinary share of £1 each	<u>1</u>	<u>1</u>

10. RESERVES

	Profit and loss account	Revaluation reserve
	£	£
At 1 October 2014	579,352	3,148,196
Retained loss for the year	<u>(113,336)</u>	<u>-</u>
At 30 September 2015	<u>466,016</u>	<u>3,148,196</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 30 September 2015

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015	2014
	£	£
Opening shareholders' funds	3,727,549	4,666,136
Retained (loss)/ profit for the year	(113,336)	11,413
Unrealised loss on revaluation of fixed assets	-	(950,000)
	<hr/>	<hr/>
Closing shareholders' funds	<u>3,614,213</u>	<u>3,727,549</u>

12. COMMITMENTS

Last year, the company was party to an omnibus agreement guarantee in favour of Ulster Bank to secure group borrowings. The borrowings at 30 September 2014 were £7,810,163. All borrowing from Ulster Bank were repaid during the year.

13. RELATED PARTY TRANSACTIONS

The company is exempt from the requirements of FRS 8 'Related Party Disclosures' to disclose transactions with other members of the group. Other than as disclosed below, there have been no transactions with the directors of the company (refer to note 2), or of the group in the year.

14. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The directors regard Bramley (2007) Limited, a company incorporated in England and Wales, as being the company's immediate parent company.

The directors regard Zest Investment Group Limited, a company incorporated in England and Wales, as being the company's ultimate parent company and is the parent company of the largest and smallest group which includes the company. Copies of the group accounts are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

Zest Investment Group Limited is jointly controlled by the directors who each control 50 per cent of the issued share capital of the company.