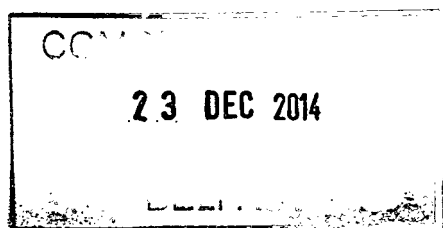


Active 8 Care Limited

Financial statements

For the year ended 31 March 2014

Company registration number: 05107898



Active 8 Care Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities in respect of the directors' report and the financial statements	3
Independent auditors' report	4
Profit and loss account	6
Balance sheet	7
Notes forming part of the financial statements	8

Active 8 Care Limited

Directors and other information

Directors	H Laffin M Murphy K Looker
Secretary	M Murphy
Bankers	First Trust Bank Corporate Banking 92 Ann Street Belfast BT1 3HH
Solicitors	Lester Aldridge Russell House Oxford Road Bournemouth BH8 8EX
Auditors	KPMG Stokes House 17/25 College Square East Belfast BT1 6DH
Registered office	Hurstwood Court New Hall Hey Road Rawtenstall Rossendale Lancashire BB4 6HR
Company registration number	05107898 (England and Wales)

Active 8 Care Limited

Directors' report

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

Principal activities and business review

The principal activity of the company in the year under review was that of the provision of social work services and accommodation. This included the provision of outdoor activities and holidays mainly for children living in residential care homes.

Results and dividends

The results for the year are set out on page 6 and are in line with directors' expectations. There were no dividends paid during the year.

Directors

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

M Murphy
H Laffin
K Looker

Small companies exemption

In preparing the directors report, the directors have taken the small companies exemption under section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, not to prepare a Strategic Report for presentation with these Financial Statements.

Political donations

Political donations were made during the year totalling £Nil (2013: £Nil)

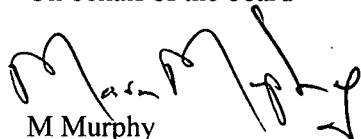
Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

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

On behalf of the board


M Murphy
Director

22 December 2014

Active 8 Care Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

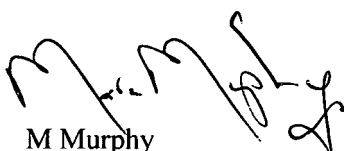
Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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;
- 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 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.

On behalf of the board



M Murphy
Director

22 December 2014



KPMG
Audit
Stokes House
17-25 College Square East
Belfast BT1 6DH
Northern Ireland

Independent auditors' report to the members of Active 8 Care Limited

We have audited the financial statements of Active 8 Care Limited for the year ended 31 March 2014 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards (UK 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 Directors' Responsibilities Statement set out on page 3, 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 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 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 31 March 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



KPMG
Audit
Stokes House
17-25 College Square East
Belfast BT1 6DH
Northern Ireland

Independent auditors' report to the members of Active 8 Care Limited (*continued*)

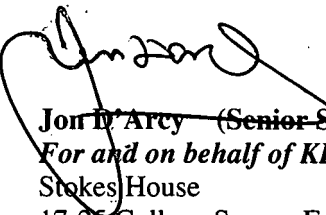
Opinion on other matter prescribed by the Companies Act 2006

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.

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 the requirement to prepare a strategic report.



Jon D'Arcy (~~Senior Statutory Auditor~~)
For and on behalf of KPMG, Statutory Auditor
Stokes House
17-25 College Square East
Belfast
BT1 6DH

22 December 2014

Active 8 Care Limited

Profit and loss account

For the year ended 31 March 2014

	<i>Note</i>	2014 £	2013 £
Turnover		3,021,308	3,034,513
Cost of sales		(212,175)	(196,464)
Gross profit		2,809,133	2,838,049
Administrative expenses		(2,696,385)	(2,675,282)
Operating profit	2	112,748	162,767
Impairment charge	8	(379,717)	-
Interest receivable and similar income	5	150,000	-
(Loss)/profit on ordinary activities before taxation		(116,969)	162,767
Tax on profit on ordinary activities	6	(11,358)	2,235
(Loss)/profit for the financial year	15,16	(128,327)	165,002

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

There is no difference between the results as presented above and their historical cost equivalents.

The notes on pages 8 to 17 form part of these financial statements.

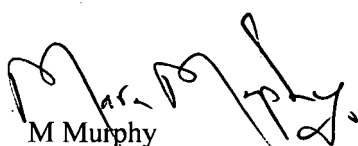
Active 8 Care Limited

Balance sheet

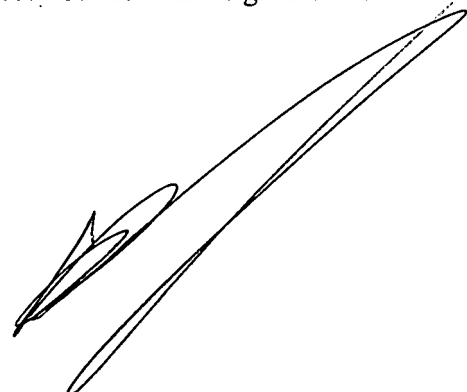
At 31 March 2014

	Note	2014 £	2014 £	2013 £	2013 £
Fixed assets					
Intangible assets			35,423		85,423
Tangible assets	8		1,623,948		2,023,842
			<hr/>		<hr/>
			1,659,371		2,109,265
Current assets					
Debtors	9	1,320,069		305,117	
Cash at bank and in hand		-		4,266	
		<hr/>		<hr/>	
		1,320,069		309,383	
Creditors: Amounts falling due within one year	10	(2,371,300)		(1,685,874)	
		<hr/>		<hr/>	
Net current liabilities			(1,051,231)		(1,376,491)
Creditors: amounts falling due after one year	11		(3,693)		-
			<hr/>		<hr/>
Total assets less current liabilities			608,140		732,774
			<hr/>		<hr/>
Net assets			604,447		732,774
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	14		200		200
Profit and loss account	15		604,247		732,574
			<hr/>		<hr/>
Shareholders' funds	16		604,447		732,774
			<hr/>		<hr/>

These financial statements were approved by the directors on 22 December 2014 and signed on its behalf by:


M Murphy
Director

H Laffin
Director



Company registration number: 05107898 (England and Wales)

The notes on pages 8 to 17 form part of these financial statements.

Active 8 Care Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

The company's ultimate controlling party is The Patterson Family, who have various business interests covering different sectors. The overall position of the Patterson Family is that they have considerable financial resources and intend to support the BetterCare Keys companies as they continue to grow and develop.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company will be able to operate within the level of its current agreed related party loan and bank facilities. In addition, the directors are confident that should additional funding be required, that they would be able to source this, if necessary, from within the group of companies controlled by The Patterson Family.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Cash flow statement

The company has taken advantage of the exemption under FRS 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Related party transactions

The company has taken advantage of the exemption conferred by FRS 8 from the disclosure of certain related party transactions on the grounds that it is a wholly owned subsidiary.

Turnover

Turnover represents invoiced sales of services, excluding value added tax rendered during the year.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2004, is being amortised evenly over its estimated useful life of ten years.

Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year, in respect of defined contribution schemes, in accordance with FRS 17.

Active 8 Care Limited

Notes (continued)

1 Accounting policies (continued)

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	2% on cost
Boats	25% on cost
Fixtures and fittings	15% on cost
Computer equipment	25% on cost
Motor vehicles	25% on cost

Impairment of fixed assets

The carrying amounts of the company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account unless it arises on a previously revalued fixed asset. An impairment loss on a revalued fixed asset is recognised in the profit and loss account if it is caused by a clear consumption of economic benefits. Otherwise impairments are recognised in the statement of total recognised gains and losses until the carrying amount reaches the asset's depreciated historical cost.

Calculation of recoverable amount

The recoverable amount of fixed assets is the greater of their net realisable value and value in use.

Reversals of impairment

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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 otherwise required by FRS 19.

Active 8 Care Limited

Notes (continued)

2 Operating profit

The operating profit is stated after charging:

	2014	2013
	£	£
Operating leases – other		-
Depreciation – owned assets	53,203	89,946
Depreciation – assets on hire purchase contracts	1,262	11,680
Goodwill amortisation	50,000	50,000
Impairment charge (note 8)	379,717	-
	<u> </u>	<u> </u>

Audit fees for the company are borne by its ultimate parent undertaking, BetterCare Keys Limited.

3 Staff numbers and costs

The number of persons employed by the company at the year end, analysed by category, was as follows:

	2014	2013
	No.	No.
Care staff	73	91
Admin staff	4	-
Teachers	1	-
	<u> </u>	<u> </u>
	78	91
	<u> </u>	<u> </u>

The aggregate payroll costs for the year were as follows:

	2014	2013
	£	£
Wages and salaries	1,812,025	1,718,140
Social security costs	117,296	149,583
Other pension costs	4,331	5,723
	<u> </u>	<u> </u>
	1,933,652	1,873,446
	<u> </u>	<u> </u>

The cost includes recharges to or from other group companies, depending on staff utilisation within the group.

4 Directors' emoluments

The directors did not receive any emoluments from the company during the year.

Active 8 Care Limited

Notes (continued)

5 Interest receivable and similar income

Interest receivable and similar income include the following:

	2014 £	2013 £
Bank interest received	150,000	-

6 Taxation

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2014 £	2013 £
<i>Current tax:</i>		
UK Corporation tax	3,333	3,333
Total current tax	3,333	3,333
<i>Deferred tax:</i>		
Origination/reversal of timing differences	7,196	(4,887)
Effect of increased/decreased tax rate	816	(392)
Adjustment in respect of prior periods	13	(289)
Total deferred tax	8,025	(5,568)
Total tax charge/(credit)	11,358	(2,235)

Active 8 Care Limited

Notes (continued)

6 Taxation (continued)

Factors affecting the tax charge

The tax assessed for the year is higher (2013: lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £	2013 £
(Loss)/profit on ordinary activities before taxation	(116,969)	162,767
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23 % (2013: 20%).	(26,903)	32,553
Effects of:		
Expenses not deductible for tax purposes	101,126	10,163
Capital allowances for period in excess of depreciation	(7,275)	4,887
Group relief	(63,693)	(44,270)
Other timing differences	78	-
Current tax charge	3,333	3,333

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

7 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2013 and 31 March 2014	500,000
Amortisation	
At 1 April 2013	414,577
Amortisation for period	50,000
At 31 March 2014	464,577
Net book value	
At 31 March 2014	35,423
At 31 March 2013	85,423

Active 8 Care Limited

Notes (continued)

8 Tangible fixed assets

	Buildings £	Boats £	Fixtures & fittings £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2013	2,237,180	43,000	249,035	2,862	129,114	2,661,191
Additions	-	-	14,307	347	19,634	34,288
At 31 March 2014	2,237,180	43,000	263,342	3,209	148,748	2,695,479
Depreciation and impairment						
At 1 April 2013	254,077	43,000	208,357	2,801	129,114	637,349
Impairment losses	379,717	-	-	-	-	379,717
Charge for period	44,871	-	6,494	115	2,985	54,465
At 31 March 2014	678,665	43,000	214,851	2,916	132,099	1,071,531
Net book value						
At 31 March 2014	1,558,515	-	48,491	293	16,649	1,623,948
At 31 March 2013	1,983,103	-	40,678	61	-	2,023,842

The directors carried out a review of the company's property portfolio during the year and determined that three properties, which are no longer in use, were being carried in the accounts at a net book value which was greater than current market value. As a result, an impairment provision in the amount of £379,717 has been recorded in these financial statements.

Notes (continued)

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

9 Debtors

Trade debtors	400,040	194,609
Amounts due from group undertakings	901,381	88,879
Deferred tax assets (see below)	5,440	13,465
Prepayments	13,208	8,164
Other debtors	-	-
	1,320,069	305,117
	2014	2013
	£	£
Deferred tax:		
Opening balance	13,465	7,897
Credit for the year	(8,025)	5,568
	5,440	13,465
	2014	2013
	£	£

14

Active 8 Care Limited

Notes (continued)

10 Creditors: amounts falling due within one year

	2014 £	2013 £
Obligations under finance lease and HP contracts	4,925	-
Bank overdraft	76,359	-
Trade creditors	30,840	75,339
Amounts owed to group undertakings	1,949,943	1,494,510
Corporation tax	3,333	4,167
Other taxes and social security costs	28,003	29,844
Other creditors	196,163	62,708
Accruals and deferred income	81,734	19,306
	<hr/>	<hr/>
	2,371,300	1,685,874
	<hr/>	<hr/>

Other creditors include an amount of £112,461 (2013: £61,428) owed by Keys Education Limited a company incorporated in England & Wales, which is owned and controlled by The Patterson Family. This balance represents amounts owed following trading activities with this company which were conducted on an arm's length basis.

The bank overdraft facility is secured on fixed and floating charges over all of the assets of the group present and future.

11 Creditors: amounts falling due after one year

	2014 £	2013 £
Obligations under finance lease and HP contracts (see note 12)	3,693	-
	<hr/>	<hr/>

Active 8 Care Limited

Notes (continued)

12 Obligations under hire purchase contracts

	2014 £	2013 £
Gross obligations repayable:		
Within one year	5,958	-
Between two and five years	4,468	-
	<hr/>	<hr/>
	10,426	-
Finance charges repayable:		
Within one year	1,033	-
Between two and five years	775	-
	<hr/>	<hr/>
	1,808	-
Net obligations repayable:		
Within one year	4,925	-
Between two and five years	3,693	-
	<hr/>	<hr/>
	8,618	-
	<hr/>	<hr/>

13 Pension costs

	2014 £	2013 £
Defined contribution		
Contributions payable by the company for the year	4,331	5,723
	<hr/>	<hr/>

14 Called up share capital

	2014 £	2013 £
<i>Allotted, issued and fully paid:</i>		
200 ordinary £1 shares	200	200
	<hr/>	<hr/>

15 Profit and loss account

	2014 £	2013 £
At 1 April	732,574	567,572
(Loss)/profit for the financial year	(128,327)	165,002
	<hr/>	<hr/>
At 31 March	604,247	732,574
	<hr/>	<hr/>

Active 8 Care Limited

Notes (continued)

16 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
(Loss)/profit for the financial year	(128,327)	165,002
Opening shareholders' funds	732,774	567,772
	<hr/>	<hr/>
Closing shareholders' funds	604,447	732,774
	<hr/>	<hr/>

17 Financial commitments

Annual commitments under non-cancellable operating leases are as follows:

	<i>Other</i> 2014 £	<i>Other</i> 2013 £
Operating leases which expire:		
Within one year	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

18 Contingent liabilities

There is an unlimited cross composite bank guarantee with BetterCare Keys Limited including fixed and floating charges over company assets present and future incorporating an equitable fixed charge over all short term leaseholds.

19 Control

The ultimate parent company is BetterCare Keys Limited, a company incorporated in Northern Ireland.

The directors consider the ultimate controlling party to be The Patterson Family who hold 88% of the ordinary share capital of BetterCare Keys Limited.

20 Post balance sheet events

The directors confirm no obligation exists at the balance sheet date for dividends declared after that date.