

ACL HEALTHCARE LIMITED
ABBREVIATED ACCOUNTS
31 DECEMBER 2010

FILING COPY

TUESDAY



L4KCNXIN

LD4

13/09/2011

107

COMPANIES HOUSE

ACL HEALTHCARE LIMITED
INDEPENDENT AUDITOR'S REPORT TO ACL HEALTHCARE LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2010
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of ACL Healthcare Limited for the year ended 31 December 2010 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

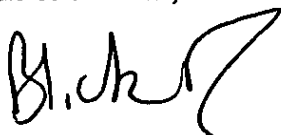
We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion on financial statements

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with the regulations made under that section.

Emphasis of matter - Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1.1 of the financial statements concerning the company's ability to continue as a going concern. The matters described in note 1.1 indicate the existence of a material uncertainty which could cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern. In view of the significance of this matter, we consider it should be drawn to your attention but our opinion is not qualified in this respect.



Andrew Sanford (Senior statutory auditor)

for and on behalf of

Blick Rothenberg

Chartered Accountants

Statutory Auditor

12 York Gate

Regent's Park

London

NW1 4QS

29 June 2011

ACL HEALTHCARE LIMITED

REGISTERED NUMBER 05836940

**ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2010**

	Note	£	31 Dec 10 £	£	31 Dec 09 £
Fixed assets					
Investments	2		28,825,183		28,825,183
Creditors, amounts falling due within one year			(26,098,566)		(26,098,566)
Total assets less current liabilities			2,726,617		2,726,617
Capital and reserves					
Called up share capital	3		2,500,001		2,500,001
Profit and loss account			226,616		226,616
Shareholder's funds			2,726,617		2,726,617

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf by



A Curtis
Director

Date

17.6.11

ACL HEALTHCARE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. Accounting policies

1 1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The group's investment properties, including those of the company's subsidiary HHL Healthcare Limited, are rented out to a sole customer, Southern Cross Opco Limited, a member of the Southern Cross Healthcare Group Plc group. The leases are on a 30 year term until 2037 with a provision for annual rental increases.

It has been widely reported, that the Southern Cross group has recently experienced financial difficulties. On 14 March 2011 it released a statement which said that its rent obligations had become unsustainable, that it planned to seek concessions from its landlords and from May 2011 it was announced that all landlords would have some of their rental payments partially withheld for a period of up to 4 months.

After making enquiries and considering the uncertainties described above the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, assuming a reasonable outcome to any negotiations with its principal tenant which may take place. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Notwithstanding net current liabilities as at 31 December 2010 of £26,098,566 the accounts have been prepared on a going concern basis as the company has received a letter of support from Citrus Healthcare Limited.

1 2 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

ACL HEALTHCARE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1. Accounting policies (continued)

1.3 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation except that deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements unless by the balance sheet date the company has entered into a binding agreement to sell the revalued asset

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated using the tax rates enacted or substantively enacted by the balance sheet date and which are expected to apply in the periods in which the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.4 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equality instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2. Fixed asset investments

	£
Cost or valuation	
At 1 January 2010 and 31 December 2010	<u>28,825,183</u>
Net book value	
At 31 December 2010	<u>28,825,183</u>
At 31 December 2009	<u>28,825,183</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
HHL Care Homes Limited	Ordinary	100 %
HHL Healthcare Limited*	Ordinary	100 %

*Indirect shareholding

ACL HEALTHCARE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

3. Share capital

	31 Dec 10 £	31 Dec 09 £
Allotted, called up and fully paid		
2,500,001 Ordinary shares of £1 each	2,500,001	2,500,001

4. Ultimate parent company

The company is controlled by its parent undertaking, AHL Healthcare Limited a company incorporated in England and Wales

The parent undertaking of the only group for which group financial statements are drawn up and of which the company is a member is Citrus Healthcare Limited, a company incorporated in England and Wales Group financial statements are prepared and are available from Companies House, Crown Way, Cardiff, CF14 3UZ

The directors regard Apollo-Citrus LP as being the ultimate parent entity, an entity incorporated in Jersey Group financial statements are not prepared