Brampton View Limited

Annual report and financial statements

Registered number 06088220
31 December 2014

Contents

Strategic report

Background and ownership structure

Brampton View Limited is a trading company within the FSHC Group Holdings Limited group of companies.

The directors regard Terra Firma Holdings Limited, a company registered in Guernsey, as the ultimate parent entity.

Financial results

In the 12 months ended 31 December 2014, the company made a profit before taxation of £635,000 *(9 months ended 31 December 2013: £417,000).*

Principal activity

The principal activity of the company is the development and operation of a care home together with the provision of specialist services for the elderly.

Business review and KPIs

On 11 April 2013, the company was acquired by Four Seasons (MW) Limited, an intermediate parent company within the FSHC Group Holdings Limited group. As a result, the comparative period is for just under nine months.

The results of the company are consolidated in the group headed by FSHC Group Holdings Limited, the consolidated financial statements of which contain a detailed business review and KPIs relating to the group. Copies of these financial statements can be obtained from the address given in note 14.

On an individual company basis, the main financial and operational KPIs were as follows:

	12 months ended 31 December 2014	9 months ended 31 December 2013
Turnover	**£3,912,000**	£2,763,000
Operating profit	**£635,000**	£417,000
Average occupancy in the year	**96.0%**	98.3%

Principal risks and risk management

The FSHC Group Holdings Limited group has management structures and policies and procedures which are designed to enable the achievement of business objectives while controlling the risks associated with the environment in which it operates. The group has a risk management process in place which is designed to identify, manage and mitigate business risk. The company operates within this group structure.

The material risks affecting the company and the means by which they are managed are as follows:

Financial risks

- *Reduction in the demand for our services*
  Mitigation: the company continues to invest in its assets and staff in order to provide an attractive and competitive proposition.

- *Liquidity risk*
  Mitigation: liquidity is managed centrally within the group. Performance is monitored by strong financial and management accounting through the finance function, monthly tracking of long-term business plans and shorter term budgets against actual performance in line with obligations under financing agreements.

Strategic report *(continued)*

Principal risks and risk management *(continued)*

Operational risks

- *Reputational risk*
  Mitigation: in order to mitigate this risk as far as possible, the group has implemented rigorous clinical governance, carries out substantial employee training, employee inductions and employee reference procedures, including a criminal background check for all frontline staff.

- *Regulatory risk*
  Mitigation: the group devotes a considerable amount of time to the management of regulatory matters. Compliance with the on-going requirements of these licences and changes arising from the evolving regulatory environment mean that significant attention has been, and will continue to be, dedicated to regulatory compliance.

Employment policies

The company aims to provide equal opportunities regardless of sex, race, religion or belief, sexual orientation, disability or ethnic origin, recognising that the continued success of the group depends upon its ability to attract, motivate and retain people of the highest calibre. Further details can be found in the financial statements of FSHC Group Holdings Limited.

Environmental policy

The FSHC Group Holdings Limited group has an environmental commitment which includes compliance with existing environmental regulations, minimising the consumption of resources, a policy of "reduce, reuse and recycle" and providing awareness amongst staff of the environmental impact of travel.

By order of the board

I Smith
Director

Norcliffe House
Station Road
Wilmslow
Cheshire
SK9 1BU

28 September 2015

Directors' report

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2014.

Results and dividends

The results for the year are shown in the profit and loss account on page 7. The directors do not recommend the payment of a dividend *(2013: £nil)*.

Directors

The directors during the year under review were:

D J Kay (resigned 31 October 2014)
M C Royston
I Smith
B R Taberner

Going concern and liquidity management

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. With this in mind, the directors have formally considered and concluded that the preparation of the financial statements on a going concern basis is appropriate. Further details are shown in the "Basis of preparation" section of note 1 to the financial statements.

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.

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

I Smith

I Smith
Director

Norcliffe House
Station Road
Wilmslow
Cheshire
SK9 1BU

28 September 2015

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 the directors have elected to prepare the financial statements in accordance with UK 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 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

KPMG LLP
1 St Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the members of Brampton View Limited

We have audited the financial statements of Brampton View Limited for the year ended 31 December 2014 set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK 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 4, 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 to 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 December 2014 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and 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.

Frances Whittle

Frances Whittle (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

30 September 2015

Profit and loss account
for the year ended 31 December 2014

	Note	**Year ended 31 December 2014 £000**	Period ended 31 December 2013 £000
Turnover	*2*	**3,912**	2,763
Cost of sales		**(3,277)**	(2,346)
Operating profit		**635**	417
Profit on ordinary activities before taxation	*3*	**635**	417
Tax on profit on ordinary activities	*6*	**(142)**	(117)
Retained profit for the financial year	*12*	**493**	300

The company has no recognised gains or losses in the current year or prior period other than those reported above.

All amounts relate to continuing operations.

The financial statements include the notes on pages 10 to 17.

Balance sheet
at 31 December 2014

	Note	2014 £000	2014 £000	2013 £000	2013 £000
Fixed assets					
Tangible assets	7		171		287
Current assets					
Debtors	8	14,037		13,459	
Cash at bank and in hand		235		115	
		14,272		13,574	
Creditors: amounts falling due within one year	9	(9,161)		(9,072)	
Net current assets			5,111		4,502
Net assets			5,282		4,789
Capital and reserves					
Called up share capital	11		-		-
Profit and loss account	12		5,282		4,789
Shareholder's funds			5,282		4,789

The financial statements include the notes on pages 10 to 17.

These financial statements were approved by the board of directors on 28 September 2015 and were signed on its behalf by:

B. R. Taberner

B R Taberner
Director

Reconciliation of movements in shareholder's funds
for the year ended 31 December 2014

	2014 £000	2013 £000
Opening shareholder's funds	**4,789**	4,489
Profit for the financial period	**493**	300
Closing shareholder's funds	**5,282**	4,789

The notes on pages 10 - 17 form part of these financial statements.

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 financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, under the historical cost accounting rules and within the requirements of the Companies Act 2006. The comparative period is for 9 months as a result of changing the year end to 31 December 2013 to align it with other members within the FSHC Group Holdings Limited group.

Going concern

The company, together with its intermediate parent company Four Seasons (CB) Limited and fellow subsidiary undertakings (collectively the "Four Seasons (CB) group"), is party to a number of financing arrangements under which the company has provided guarantees.

On 20 March 2014, the Four Seasons (CB) group acquired seven care homes from Majesticare, a privately owned care group that primarily serves self-funded clients. The acquisition was financed by an extension to the existing bank facilities which now comprise the following elements:

- "Facility A1": £11,500,000 with repayment instalments every six months increasing from £500,000 in September 2013 to £1,250,000 in September 2015. The balance is due for repayment in April 2019. Interest is charged at LIBOR plus 2.50% - 3.85% depending on the group's leverage
- "Facility A2": £6,000,000 with repayment instalments every six months increasing from £300,000 in September 2014 to £675,000 in September 2015. The balance is due for repayment in April 2019. Interest is charged at LIBOR plus 2.50% - 3.85% depending on the group's leverage
- "Facility B1": £38,000,000 repayable in April 2019. Interest is charged at LIBOR plus 2.50% - 3.85% depending on the group's leverage
- "Facility B2": £19,000,000 repayable in April 2019. Interest is charged at LIBOR plus 2.50% - 3.85% depending on the group's leverage
- Revolving credit facility: £3,000,000 which remains undrawn at the time of signing the financial statements, and is available until April 2019. Interest is charged at LIBOR plus 2.40% - 3.75% depending on the group's leverage

In order to manage exposure to fluctuating interest rates, two interest rate swaps have been entered into. The first swap had an initial notional value of £37,500,000 at July 2013 which amortises to £29,438,000 at December 2018 with a fixed payable interest rate of 1.2375%. The second interest rate swap was entered into from 30 June 2014. The swap had an initial notional value of £18,750,000 at June 2014 which amortises to £14,756,000 at December 2018 with a fixed interest rate of 2.015%.

These debt facilities provide Four Seasons (CB) Limited and its subsidiaries with a stable and secure financial structure.

The directors of the Four Seasons (CB) group have prepared trading and cash flow forecasts for the Four Seasons (CB) group, including the company, to September 2016 which, after adjustment for sensitivity analysis to incorporate the impact of reasonably foreseeable changes in trading and cash flow performance, and taking into account resources available to the group, show that it has sufficient funding and covenant headroom within its current financing arrangements.

On this basis the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors therefore believe that it is appropriate to prepare the financial statements on a going concern basis.

Notes *(continued)*

1 Accounting policies *(continued)*

Cash flow statement

The company is exempt from the requirement of FRS 1 to prepare a cash flow statement as at 31 December 2014 it was a wholly owned subsidiary undertaking of Four Seasons (CB) Limited, and its cash flows are included within the consolidated cash flow statement of that company.

Related party transactions

The directors have taken advantage of the exemption in FRS 8, Paragraph 3(c) and as the company is a wholly owned subsidiary of Four Seasons (CB) Limited have not disclosed related party transactions with parent and fellow subsidiary undertakings.

Tangible fixed assets and depreciation

Depreciation has been provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

Computer equipment	25% straight line
Fixtures, fittings and equipment	15% - 25% straight line
Freehold buildings	2% straight line

No depreciation is provided on freehold land.

Taxation

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

Deferred tax is provided in full on timing differences which 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 is not provided on timing differences arising from the revaluation of tangible fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Dividends on shares presented within shareholder's funds

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Post-retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Guarantees

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, 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.

Notes *(continued)*

2 Turnover

Turnover represents fee income relating to the provision of care services net of value added tax, as applicable. Fee income comprises care home fees which are recognised when the delivery of the service is completed. Fees invoiced in advance are included as deferred income until the service is completed.

Turnover is recognised when it can be measured reliably and it is probable that future economic benefits will accrue to the company. Turnover is derived entirely in the UK from the principal activities of the company.

3 Profit on ordinary activities before taxation

	Year ended 31 December 2014 £000	Period ended 31 December 2013 £000
Profit on ordinary activities before taxation is stated after charging:		
Depreciation of tangible fixed assets		
Owned assets	**155**	114

The auditor's remuneration of £2,000 *(2013: 1,500)* was borne by a group undertaking.

Amounts receivable by the company's auditor in respect of services to the company and its associates, other than the audit of the company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the company's intermediate parent, Four Seasons (CB) Limited.

4 Directors' remuneration

No remuneration was paid to the directors by the company during the current year or preceding period.

Notes *(continued)*

5 Staff numbers and costs

The average number of persons employed by the company during the current year and prior period, including both full and part time staff, analysed by category, was as follows:

	Number of employees	
	Year ended 31 December 2014	Period ended 31 December 2013
Management and administration staff	**2**	2
Nursing, care and domestic staff	**147**	80
	149	82

The aggregate payroll costs of these persons were as follows:

	Year ended 31 December 2014 £000	Period ended 31 December 2013 £000
Wages and salaries	**1,380**	1,037
Social security costs	**90**	64
Pension costs	**4**	-
	1,474	1,101

There were no outstanding pension contributions at the year end (*2013: £nil*).

Notes *(continued)*

6 Tax on profit on ordinary activities

	Year ended 31 December 2014		Period ended 31 December 2013	
	£000	**£000**	£000	£000
UK corporation tax				
Adjustments in respect of prior periods	**-**		(7)	
Total current tax		**-**		(7)
Deferred tax				
Origination/reversal of timing differences	**144**		114	
Amounts in respect of prior periods	**(2)**		10	
Deferred tax charge		**142**		124
Tax on profit on ordinary activities		**142**		117

Factors affecting the tax charge for the current period

The current tax charge for the year is lower *(2013: lower)* than the standard rate of corporation tax in the UK 21.5% *(2013: 23%)* due principally to the utilisation of brought forward losses. The differences are explained below.

	Year ended 31 December 2014 £000	Period ended 31 December 2013 £000
Current tax reconciliation		
Profit on ordinary activities before taxation	**635**	417
Current tax at 21.5% *(2013: 23%)*	**136**	96
Effects of:		
Depreciation in excess of capital allowances	**28**	26
Tax losses utilised	**(164)**	(122)
Prior period adjustment	**-**	(7)
Total current tax (credit)/charge	**-**	(7)

Factors that may affect future current and total tax charge:

The company has losses of £590,000 *(2013: £1,333,000)* available to offset against future trading profits.

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and to 20% (effective 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly and reduce the deferred tax liability at 31 December 2014 which has been calculated based on the rate of 20% substantively enacted at the balance sheet.

Notes *(continued)*

7 Tangible fixed assets

	Freehold land and buildings £000	Equipment and fixtures £000	Computer equipment £000	Total £000
Cost				
At beginning of year	34	760	15	809
Additions	-	39	-	39
At end of year	34	799	15	848
Depreciation				
At beginning of year	4	515	3	522
Charge for the year	1	153	1	155
At end of year	5	668	4	677
Net book value				
At 31 December 2014	**29**	**131**	**11**	**171**
At 31 December 2013	30	245	12	287

8 Debtors

	2014 £000	2013 £000
Trade debtors	**134**	78
Amounts owed by group undertakings	**13,548**	13,092
Deferred tax assets (note 10)	**118**	260
Other debtors	**226**	18
Prepayments and accrued income	**11**	11
	14,037	13,459

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

Notes *(continued)*

9 Creditors: amounts falling due within one year

	2014	2013
	£000	£000
Trade creditors	**470**	493
Amounts owed to group undertakings	**7,273**	7,219
Other taxes and social security	**16**	36
Group relief payable	**1,161**	1,161
Accruals and deferred income	**76**	36
Other creditors	**165**	127
	9,161	9,072

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

10 Deferred taxation

The movement in the deferred taxation provision during the year was:

	Deferred taxation £000
At beginning of year	260
Charge to the profit and loss for the year	(142)
At end of year (deferred tax asset - see note 8)	**118**

The elements of deferred taxation are as follows:

	2014	2013
	£000	£000
Difference between accumulated depreciation and amortisation and capital allowances	**(1)**	(27)
Tax losses	**119**	287
	118	260

11 Called up share capital

	2014		2013	
	No. of shares	**£000**	No. of shares	£000
Allotted, called up and fully paid:				
Ordinary shares of £1 each	**1**	**-**	1	-

Notes *(continued)*

12 Reserves

	Profit and loss account £000	Total £000
At beginning of year	4,789	4,789
Retained profit for the financial year	493	493
At end of year	**5,282**	**5,282**

13 Contingent liabilities

The company, together with its parent and fellow subsidiary undertakings is party to a number of financing arrangements. The implications of this are explained more fully in note 1.

14 Ultimate parent

The company is a wholly owned subsidiary undertaking of Optimum FS Care Developments Limited, a company registered in England and Wales.

The ultimate parent undertaking is Terra Firma Holdings Limited, an entity incorporated in Guernsey. The ultimate controlling party is Guy Hands.

The largest group in which the results of the company are consolidated is that headed by FSHC Group Holdings Limited. The consolidated financial statements of this company are available to the public and may be obtained from Morgan Sharpe, Old Bank Chambers, La Grande Rue, St Martin's, Guernsey, GY4 6RT.

The smallest group in which the results of the company are consolidated is that headed by Four Seasons (CB) Limited. The consolidated financial statements of this company are available to the public and may be obtained from Companies House.