

Regard Holdings Limited

Annual report and financial statements

Registered number 6173337

18 March 2016

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Strategic Report

Principal activities and review of business

The principal activity of the Company continued to be that of an intermediary holding company.

Review of the business

The Company's results are in line with expectation.

The key financial highlights are as follows:

	52 weeks ending 18 March 2016 £000's	52 weeks ending 20 March 2015 £000's
Profit before tax	175	(4,120)

The Ruby Top Co 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 need to monitor subsidiary performance to ensure that outstanding balances will be recoverable.

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

By order of the Board



Michael Hawkes

Director

Date:

15/7/16

Directors' report

Research and development

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

Financial instruments

Funding for all subsidiaries of Ruby Top Co Limited, including Regard Holdings 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.

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors

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

J Godden (resigned 21st March 2016)

M Hawkes

R Jackson

S Foxall-Smith

Employees

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.

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.

Directors' report *(continued)*

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 *15/7/16*

Regard Holdings Limited
Unit 6 Princeton Mews
167-169 London Road
Kingston Upon Thames
Surrey
KT2 6PT

Statement of directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Strategic Report, 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), 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; and
- * 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 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.

Independent auditor's report to the members of Regard Holdings Limited

We have audited the financial statements of Regard Holdings Limited for the period ended 18 March 2016 set out on pages 8 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 6, 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 Practice Board's Ethical Standards for Auditors.

Scope of the audit of 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

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 18 March 2016 and of its profit for the period 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 matters prescribed in the Companies Act 2006

In our opinion the information in the Strategic Report and Directors' Report for the financial period 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.



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

Date:

15/7/16

Statement of Income and Retained Earnings

For period ended 18 March 2016

	Notes	52 weeks ending 18 March 2016 £000's	52 weeks ending 20 March 2015 £000's
Turnover		-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses		(201)	(1,081)
		<hr/>	<hr/>
Operating profit		(201)	(1,081)
Interest receivable and similar income	3	(2,212)	733
Interest payable and similar charges	4	2,387	(3,772)
		<hr/>	<hr/>
Profit / (Loss) on ordinary activities before taxation		(26)	(4,120)
Tax credit/(charge) on profit on ordinary activities	5	-	-
		<hr/>	<hr/>
Profit / (Loss) on ordinary activities after taxation		(26)	(4,120)
		<hr/>	<hr/>
Retained earnings at beginning of period		(36,913)	(32,793)
		<hr/>	<hr/>
Retained earnings at end of period		(36,939)	(36,913)
		<hr/>	<hr/>

The accompanying notes on pages 10 to 15 form part of the Financial Statements.

Balance Sheet At 18 March 2016

	Notes	18 March 2016 £000's	20 March 2015 £000's
Fixed assets			
Investments	6	-	-
Current assets			
Debtors	7	53,762	51,576
Cash at bank and in hand		-	-
Creditors: amounts falling due within one year	8	53,762 (90,695)	51,576 (88,483)
Net current assets		(36,933)	(36,907)
Total assets less current liabilities		(36,933)	(36,907)
Net assets		(36,933)	(36,907)
Capital and reserves			
Called up share capital	9	2	2
Share Premium account	10	4	4
Profit and loss account		(36,939)	(36,913)
Shareholders' funds		(36,933)	(36,907)

The accompanying notes on pages 10 to 15 form part of the Financial Statements.

These financial statements were approved by the board of directors on 15/7/16 and were signed on its behalf by:



Michael Hawkes
Director

Company registered number: 6173337

Notes

(forming part of the financial statements)

1 Accounting policies

Regard Holdings Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

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.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

The Company's ultimate parent undertaking, Ruby Top Co Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Ruby Top Co are available to the public and may be obtained from Unit 6, 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. On first time adoption of FRS 102, the Company has not retrospectively changed its accounting under old UK GAAP for de-recognition of financial assets and liabilities before the date of transition, accounting estimates or discontinued operations.

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.

1.2 Going concern

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

The ultimate parent company has confirmed that it will continue to provide financial support to the company for the foreseeable future and for at least the next 12 months from the date of the audit report, and will continue to support the operational cash requirements of the company. After making these enquiries, and taking into account the cash flow and covenant forecasts of the Ruby TopCo 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 Provisions

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.

1.5 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 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.

1.6 Interest receivable and payable

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

Notes (continued)

2 Expenses and auditor's remuneration

Auditor's remuneration:

	52 weeks ending 18 March 2016 £000's	52 weeks ending 20 March 2015 £000's
Audit of these financial statements	3	2
	<u>3</u>	<u>2</u>

3 Interest receivable and similar income

	52 weeks ending 18 March 2016 £000's	52 weeks ending 20 March 2015 £000's
Intercompany interest	2,212	733
	<u>2,212</u>	<u>733</u>

4 Interest payable and similar charges

	52 weeks ending 18 March 2016 £000's	52 weeks ending 20 March 2015 £000's
Accrued Interest on Mezzanine debt	-	2,678
Intercompany interest	2,387	1,094
	<u>2,387</u>	<u>3,772</u>

Notes (continued)

5 Taxation

	52 weeks ending 18 March 2016 £000's	52 weeks ending 20 March 2015 £000's
Current Tax		
UK corporation tax	-	-
Current tax	-	-
Deferred tax		
Deferred tax charge	-	-
Adjustments in respect of prior periods	-	-
Effect of tax rate changes	-	-
Total deferred tax charge	-	-
Total tax charge on profit on ordinary activity	-	-
Factors affecting the tax charge for the period		
Profit on ordinary activities before taxation	26	(4,120)
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2015: 21%)	(5)	(867)
Effects of:		
Expenses not deductible for tax purposes	-	344
Unrelieved tax losses	-	101
Group relief	5	422
	5	867
Total tax charge	-	-

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)

6 Fixed asset investments

	2015
	£
Cost	
At 18 March 2016 and 20 March 2015	2

In the opinion of the Directors, the aggregate value of the Company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

The Company holds investments in the share capital of the following companies:

Direct holding	Principal Activity
Regard Midco Limited	Intermediate holding company
Indirect holding	
The Regard Partnership Limited	Providers of care for people with learning difficulties
Cerrig Camu Limited	Providers of care for people with learning difficulties
Oscarvale Limited	Providers of counseling and support services
Southfields Care Homes Limited	Providers of residential care
Venesta Agencies Limited	Providers of domiciliary care services
Adapt Care Homes Limited	Dormant Company
Adapt Care Group Limited	Dormant Company
Arcadia Limited	Providers of residential care
Highdowns Residential Homes Limited	Providers of residential care
Community Support Homes Limited	Providers of residential care

All companies are incorporated in Great Britain and are wholly owned.

7 Debtors

	2016	2015
	£000's	£000's
Amounts owed by Group undertakings	53,762	51,576

8 Creditors: amounts falling due within one year

	2016	2015
	£000's	£000's
Amounts owed to Group undertakings	90,695	88,483

Notes (continued)

9 Share Capital

	2016	2015
	£	£
Called up, allotted and fully paid:		
1,739 ordinary shares of £1 each	1,739	1,739
	<u> </u>	<u> </u>

10 Reserves

	Share Premium Account £000's
Balance at 20 March 2015	4
Prior Year adjustment	-
Profit and loss for the period	-
	<u> </u>
Balance at 18 March 2016	4
	<u> </u>

11 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 £96.5m.

12 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Ruby Bidco Limited and the ultimate Parent Company was Ruby Top Co Limited. The ultimate controlling party is Montreux Regard Holdings Limited.

The smallest and largest Group into which the results of Regard Holdings Limited are consolidated is Ruby Top Co Limited. The consolidated accounts of Ruby Top Co Limited may be obtained from the Company's registered address at Unit 6 Princeton Mews, 167 – 169 London Road, Kingston upon Thames, Surrey KT2 6PT.

13 Subsequent events

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