

Company Registration No. 6173337

Regard Holdings Limited

**Strategic report, Directors' Report and
Financial Statements**

20 March 2015

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Regard Holdings Limited

Strategic report, Directors' Report and Financial Statements

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Regard Holdings Limited

Strategic report, Directors' Report and Financial Statements

Officers and professional advisers

Directors

S Foxall-Smith
J Godden
M Hawkes
R Jackson

Secretary

M Hawkes

Registered Office

Unit 6 Princeton Mews
167-169 London Road
Kingston-upon-Thames
Surrey
KT2 6PT

Bankers

Barclays Corporate
Level 27
1 Churchill Place
London
E14 5HP

Solicitors

Wragge & Co
3 Waterhouse Square
142 Holborn
London
EC1N 2SW

Auditor

KPMG LLP
1 Forest Gate
Brighton Road
Crawley
RH11 9PT

Regard Holdings Limited

Strategic Report

Principal activities and review of business

The Company's principal activity is that of an intermediate holding Company and it has a number of trading companies within the Group, with principal activities of operating care homes. The Directors anticipate further growth in the business of the subsidiary companies in the ensuing period.

Review of the business

The Company's results are in line with expectation. The results for the period are shown on page 6 and are in line with the Directors expectations. During the year the company was acquired by Ruby Bidco Limited. As part of this transaction the mezzanine debt was repaid and replaced with debt owed to the group companies.

Description of principal risks and uncertainties

The Company needs to ensure that it can maintain strong internal controls and procedures. The principal risks associated with the subsidiaries include the continuing need to monitor and maintain quality care provision within its services.

By order of the Board



M Hawkes
Director

17 July 2015

Regard Holdings Limited

Directors' Report

The Directors present their Directors' report and the audited financial statements for the period ended 20 March 2015.

Going concern

The Directors' forecasts show that the Company should be able to operate within the level of its current facilities. Ruby Top Co Limited, the ultimate Parent Company has confirmed in writing that it will continue to support Company's obligations as they fall due. Accordingly, the Directors consider that there is no material uncertainty regarding the Company's ability to continue to adopt the going concern basis in preparing the annual report and accounts.

Dividends

The Directors do not recommend the payment of a dividend. (2014: £nil)

Directors

The following Directors held office during the period except as noted:

J Godden (appointed 1st January 2015)

M Hawkes

R Jackson (appointed 1st January 2015)

S Foxall-Smith

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of the Directors which were made during the period and remain in force at the date of this report.

Disclosure of information to the 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;
- each 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 that information.

Auditor

Pursuant to section 481 of the Companies Act 2006, KPMG LLP have been approved as auditors.

By order of the Board



M Hawkes

Director

17th July 2015

Regard Holdings Limited

Statement of Directors' responsibilities

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;
- * 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 20 March 2015 set out on pages 6 to 13. 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 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 20 March 2015 and of its loss 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

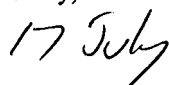
Matters on which we are required to report by exception

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 Auditors
Crawley, United Kingdom



2015

Regard Holdings Limited

Profit and loss account Period ended 20 March 2015

	Notes	52 weeks ending 20 March 2015 £	52 weeks ending 21 March 2014 £
Administrative expenses		(1,081,189)	-
Operating loss	2	(1,081,189)	-
Interest receivable and similar income	3	733,016	95,044
Interest payable and similar charges	4	(3,771,587)	(4,581,309)
Loss on ordinary activities before taxation		(4,119,760)	(4,486,265)
Tax on loss on ordinary activities	5	-	-
Loss on ordinary activities after taxation	10	(4,119,760)	(4,486,265)

All activities relate to continuing operations for the period.

There were no recognised gains or losses other than the loss in the period. Accordingly no statement of total recognised gains and losses is presented.

The accompanying notes on pages 8 to 13 form an integral part of the financial statements.

Regard Holdings Limited
Company Registration No. 6173337

Balance sheet
At 20 March 2015

	Notes	2015 £	2014 £
Fixed assets			
Investments	6	<u>2</u>	<u>2</u>
Current Assets			
Debtors	7	51,575,738	4,120,322
Creditors: amounts falling due within one year	8	<u>(88,482,586)</u>	<u>-</u>
Net current liabilities		<u>(36,906,848)</u>	<u>4,120,322</u>
Total assets less current liabilities		<u>(36,906,846)</u>	<u>4,120,322</u>
Creditors: amounts falling due after more than one year	9	-	(36,907,599)
Net liabilities		<u>(36,906,846)</u>	<u>(32,787,275)</u>
Capital and reserves			
Called up share capital	10	1,739	1,550
Share premium account		4,165	4,165
Profit and loss account	11	<u>(36,912,750)</u>	<u>(32,792,990)</u>
Shareholders' deficit	12	<u>(36,906,846)</u>	<u>(32,787,275)</u>

The financial statements of Regard Holdings Limited (registered number 6173337) were approved by the Board of Directors on 17th July 2015.

The accompanying notes on pages 8 to 13 form an integral part of the financial statements.

Signed on behalf of the Board of Directors



M Hawkes
Director

Regard Holdings Limited

Notes to the accounts

Period ended 20 March 2015

1. Accounting policies

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

Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The financial year of all Group companies is the period up to the Friday before, or falling on the accounting reference date of 20 March.

Going concern

The Company is a member of the Group headed by Ruby Top Co Limited. Disclosures relating to the going concern assumption adopted by Ruby Top Co Limited are included in the accounts of that Company.

The Company has net current liabilities of £36,906,848 and net liabilities of £36,906,846 at 20 March 2015. The Directors have received confirmation from fellow Group undertakings that they will provide support to the Company to ensure that it will meet its obligations as they fall due over the coming twelve months from the date of signing of these financial statements.

After making enquiries, and taking into account the cash flow and covenant forecasts of the Ruby Top Co 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.

Cash flow statements

The Company has taken advantage of the exemption under the rules of Financial Reporting Standard No 1 (revised) not to produce a cash flow statement. The cash flow information is contained in the consolidated accounts of the ultimate Parent Company, Ruby Top Co Limited.

Investments

Fixed asset investments are stated at cost less provision for any diminution in value.

Group accounts

The Company has claimed an exemption for preparing consolidated accounts under Section 400 of the Companies Act 2006. Details of how to obtain the ultimate Parent Company's consolidated accounts are contained in note 14.

Regard Holdings Limited

Notes to the accounts Period ended 20 March 2015

2. Operating loss

	52 week period ending 20 March 2015 £	52 week period ending 21 March 2014 £
Operating loss is stated after charging:		
Auditor's remuneration – audit of the Company's financial statements	-	-

3. Interest receivable and similar income

	52 week period ending 20 March 2015 £	52 week period ending 21 March 2014 £
Inter Company interest	733,016	95,044

Loan interest receivable from Group undertakings was payable at 2.5%.

4. Interest payable and similar charges

	52 week period ending 20 March 2015 £	52 week period ending 21 March 2014 £
Accrued Interest on Mezzanine Debt	2,677,975	3,900,023
Inter Company Interest	1,093,612	681,286
	<u>3,771,587</u>	<u>4,581,309</u>

Regard Holdings Limited

Notes to the accounts Period ended 20 March 2015

5. Taxation

	52 weeks ending 20 March 2015 £	52 weeks ending 21 March 2014 £
Current year tax		
UK corporation tax	-	-
Current tax	-	-
Total tax on loss on ordinary activities	-	-
Factors affecting the tax charge for the period		
Loss on ordinary activities before taxation	(4,119,760)	4,486,265
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21% (2014: 23%)	(867,413)	(1,032,950)
Effects of:		
Expenses not deductible for tax purposes	343,828	395,630
Group Relief	422,062	637,320
Unrelieved tax losses	101,523	-
Current tax charge	-	-

The main rate of UK corporation tax (effective from 1 April 2014) that was substantively enacted at the balance sheet date was 21%. In the March 2014 Budget, the UK government maintained that the main rate will reduce to 20% from 1 April 2015, and this will reduce the company's future current tax charge accordingly. There are no other factors that may significantly impact the future tax charge.

Regard Holdings Limited

Notes to the accounts Period ended 20 March 2015

6. Fixed asset investments

	Company £
Cost	
At 20 March 2015 and 21 March 2014	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:

Company	Country of incorporation	Class	Shares held %
Subsidiary undertakings			
Direct holding			
Regard Midco Limited	Great Britain	Ordinary	100
Indirect holding			
The Regard Partnership Limited	Great Britain	Ordinary	100
Cerrig Camu Limited	Great Britain	Ordinary	100
Oscarvale Limited	Great Britain	Ordinary	100
Southfields Care Homes Limited	Great Britain	Ordinary	100
Venesta Agencies Limited	Great Britain	Ordinary	100
Adapt Care Homes Limited	Great Britain	Ordinary	100
Adapt Care Group Limited	Great Britain	Ordinary	100
Arcadia Limited	Great Britain	Ordinary	100
Highdowns Residential Homes Limited	Great Britain	Ordinary	100
Community Support Homes Limited	Great Britain	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Regard Midco Limited	Intermediary Company
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 counselling 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

Regard Holdings Limited

Notes to the accounts Period ended 20 March 2015

7. Debtors:

	2015 £	2014 £
Amounts owed by Group undertakings	51,575,738	3,994,012
Other Debtors	-	126,310
	<u>51,575,738</u>	<u>4,120,322</u>

8. Creditors: amounts falling due within one year

	2015 £	2014 £
Amounts owed to Group undertakings	88,482,586	-
	<u>88,482,586</u>	<u>-</u>

Loan interest owed to Group undertakings was payable at 2.5%. The balances are payable on demand.

9. Creditors: amounts falling due after more than one year

	2015 £	2014 £
Shareholder loans	-	36,907,599
	<u>-</u>	<u>36,907,599</u>

10. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
1,739 Ordinary shares of £1 each.	<u>1,739</u>	<u>1,550</u>

11. Reserves

	Profit and loss account £
Balance at 21 March 2014	(32,792,990)
Loss for the period	<u>(4,119,760)</u>
Balance at 20 March 2015	<u>(36,912,750)</u>

Regard Holdings Limited

Notes to the accounts

Period ended 20 March 2015

12. Reconciliation of movements in shareholders' deficit

	2015 £	2014 £
Loss for the period	(4,119,760)	(4,486,265)
New Shares Issued	189	-
Opening shareholder's (deficit)	(32,787,275)	(28,305,230)
Closing shareholder's deficit	<u>(36,906,846)</u>	<u>(32,787,275)</u>

13. Contingent liabilities

The Company, together with other Group companies, has guaranteed the Group's obligations under the Group bank facility.

14. Related party transactions

Rent of £142,494 was paid to The Right Investment Partnership. One of the former Directors is a partner in The Right Investment Partnership.

The Company has taken advantage of the exemptions conferred by Financial Reporting Standard No. 8 from the requirement to disclose transactions with Group companies.

15. Ultimate Parent Company

On 20 March 2015 the immediate Parent Company was Ruby Bidco Limited, and the ultimate Parent Company was Ruby Top Co Limited, a Company which is incorporated and registered in England and Wales.

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.

Ultimate control resided with Montreux Regard Holdings S.à.r.l.