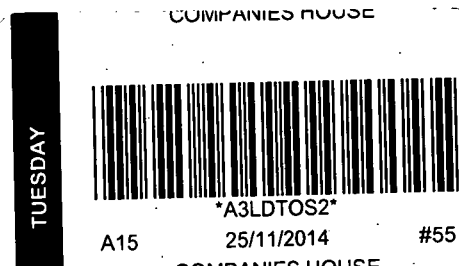


GB (Horley) Limited

Directors' report and financial statements

Registered number 07791846

18 Month period ended 31 December 2013



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Company information

Directors:	M J Smout	Director
	M R Lethaby	Finance Director
	A Hall	Director
	P A Smyth	Director
Secretary:	A T W Ryan	
Registered office:	Grosvenor House	
	4-7 Station Road	
	Sunbury-on-Thames	
	Surrey	
	TW16 6SB	
Auditor:	Deloitte LLP	
	Global House	
	High Street	
	Crawley	
	West Sussex	
	RH10 1DL	

Directors' report

The Directors present their annual report, together with the audited financial statements for the 18 month period ended 31 December 2013.

Principal activities

The principal activity of the Company is development and project management of care homes for sale.

During the period the accounting reference date was changed to 31 December so that our reporting period is aligned with the year-end of our ultimate parent company.

Results and Dividends

The profit after tax for the period was £1,884 (9 month period ended 30 June 2012: loss of £124,567). No dividend was declared or paid in the period. The results for the period and the Company's financial position at the end of the period are shown on the attached financial statements.

The prior year adjustment relates to the reclassification of accounting for the Care Home development contract.

In 2012, the revenue and costs relating to the construction contract of the Care Home contracted to GB Development Solutions Limited were taken to GB (Horley) Limited. In 2013, this basis of accounting was reviewed and amended by taking the revenue and costs of the construction contract into the relevant company, which is GB Development Solutions Limited. The restated financial statements reflect the actual contractual arrangement.

GB (Horley) Limited and GB Development Solutions Limited are both 100% owned subsidiaries of the parent company, GB Group Holdings Limited. Therefore, this restatement has no effect on the overall group position in 2012 and 2013.

Directors

The present membership of the Board is set out on page 2.

Going Concern

The financial statements have been prepared on a going concern basis which the Directors believe to be appropriate. The Company is reliant on its ultimate parent undertaking, GB Group Holdings Limited, for its continued financial support. GB Group Holdings Limited has indicated its continued support for the next 12 months to ensure that the Company is able to meet its liabilities as they fall due.

Auditor

Pursuant to Section 487 of the Companies Act 2006, Deloitte LLP was appointed as auditor during the period.

Deloitte LLP has expressed its willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an annual general meeting.

Independent auditor and disclosure of information to the independent auditor

In the case of each of the persons who are directors of the Company at the date when this report was approved:

- So far as each director is aware, there is no relevant audit information (that is, information needed by the Company's auditor in connection with preparing its report) of which the Company's auditor is unaware; and

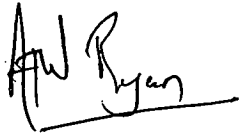
Directors' report *(continued)*

- Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board

A handwritten signature in black ink, appearing to read 'A T W Ryan', with a horizontal line underneath.

A T W Ryan
Company Secretary

GB (Horley) Limited
Grosvenor House
4-7 Station Road
Sunbury on Thames
Surrey TW16 6SB
21st November 2014

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 judgments 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GB (HORLEY) LIMITED

We have audited the financial statements of GB (Horley) Limited for the period ended 31 December 2013 which comprise the Profit and Loss Account, Balance Sheet, and the related notes 1 to 9. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 the auditor

As explained more fully in the Directors' Responsibilities Statement, 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 Practices Board'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's 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 December 2013 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom 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

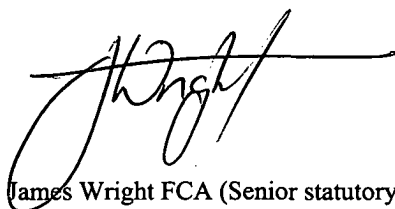
In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GB (HORLEY) LIMITED *(continued)*

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report or in preparing the strategic report.



James Wright FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Crawley
United Kingdom
21st November 2014

Profit and loss account
18 month period ended 31 December 2013

	<i>Note</i>	18 Month Period ended 31 Dec 2013	Restated* 9 Month Period ended 30 June 2012
		£	£
Turnover		410,168	1,612,000
Cost of sales		(407,384)	(1,735,567)
		<hr/>	<hr/>
Gross profit / (loss)		2,784	(123,567)
Administrative expenses		(900)	(1,000)
		<hr/>	<hr/>
Profit / (loss) on ordinary activities before taxation	<i>1</i>	1,884	(124,567)
Tax on profit / (loss) on ordinary activities	<i>3</i>	-	-
		<hr/>	<hr/>
Profit / (loss) for the financial period		1,884	(124,567)
		<hr/>	<hr/>

The notes on page 10 to 15 form part of these financial statements.

There are no recognised gains or losses other than those included in the profit and loss accounts above, and therefore no separate statement of total recognised gains and losses has been presented. The effect of the prior year adjustment which is set out in note 2 was to reduce retained profits brought forward by £240,722.

All amounts are derived from continued operations.

*Refer to note 2 for details of the restatement.

Balance Sheet
At 31 December 2013

	<i>Note</i>	18 Month Period ended 31 Dec 2013	Restated* 9 Month Period ended 30 June 2012
		£	£
Current Assets			
Work in progress		-	263,788
Debtors: amounts falling due within one year	4	1,512,001	1,512,001
		<hr/>	<hr/>
		1,512,001	1,775,789
Creditors: amounts falling due within one year	5	(1,634,683)	(1,900,355)
		<hr/>	<hr/>
Net current liabilities		(122,682)	(124,566)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	6	1	1
Profit and loss account	7	(122,683)	(124,567)
		<hr/>	<hr/>
Total shareholder's deficit	8	(122,682)	(124,566)
		<hr/>	<hr/>

The financial statements of GB (Horley) Limited, company registration number 07791846, have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

*Refer to note 2 for details of the restatement.

The notes on pages 10 to 15 form part of these financial statements.

These financial statements were approved and authorised for issue by the board of Directors on 21st November 2014 and were signed on its behalf by:



M R Lethaby
Director

Notes to the financial statements

1 Accounting policies

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

Basis of preparation

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

Going concern

The financial statements have been prepared on the going concern basis. The Company is reliant on its ultimate parent undertaking, GB Group Holdings Limited, for its continued financial support. GB Group Holdings Limited has indicated its continued support for the next 12 months to ensure that GB (Horley) Limited is able to meet its liabilities as they fall due.

Cash flow statement

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that GB Group Holdings Limited includes the Company in its own published consolidated financial statements.

Related party transactions

As the Company is a wholly owned subsidiary of GB Development Solutions Limited, which is a wholly owned subsidiary of GB Group Holdings Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

Information regarding Directors and employees

The company had no employees (excluding Directors) during the current period.

None of the Directors received any remuneration during the current period. Amounts payable in respect of the services of Directors are included in the accounts of the ultimate beneficial owners.

Turnover

Revenue is measured at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Revenue from development sales and land is recognised when transactions have unconditionally exchanged, or for contracts which involve construction, in accordance with the Groups accounting policy on construction contracts. This states that revenue and costs are recognised by reference to the stage of completion and the principle method used to recognise revenue is percentage complete based on cost.

Long-term contracts

Amounts recoverable on long-term contracts, which are included in debtors, are stated at the net sales value of the work done after provisions for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

Profit / (loss) on ordinary activities before tax

The profit / (loss) on ordinary activities before tax arises from the Company's principal activities.

Fees charged by the company's auditor for the statutory audit of the financial statements was £800 (2012: £500).

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Taxation

The charge for taxation is based on the result 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 material 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.

Work in progress

Work in progress is valued at the lower of cost and estimated net realisable value. The cost of work in progress comprises materials, direct and sub-contract labour and attributable production overheads.

2 Prior Year Adjustment

The prior year adjustment relates to the reclassification of accounting for the Care Home development contract.

In 2012, the revenue and costs relating to the construction contract of the Care Home contracted to GB Development Solutions Limited were taken to GB (Horley) Limited. In 2013, this basis of accounting was reviewed and amended by taking the revenue and costs of the construction contract into the relevant company, which is GB Development Solutions Limited. The restated financial statements reflect the actual contractual arrangement.

GB (Horley) Limited and GB Development Solutions Limited are both 100% owned subsidiaries of the parent company, GB Group Holdings Limited. Therefore, this restatement has no effect on the overall group position in 2012 and 2013.

The analysis as set out below bridges from the 2012 accounts as signed, to the new 2012 figures as restated.

	2012 as previously stated	Adjustment	Restated 2012
	£	£	£
Turnover	2,146,632	(534,632)	1,612,000
Cost of Sales	<u>(2,025,353)</u>	<u>289,786</u>	<u>(1,735,567)</u>
Gross profit / (loss)	121,279	(244,846)	(123,567)
Administrative expenses	(1,000)	-	(1,000)
Profit / (loss) on ordinary activities before taxation	<u>120,279</u>	<u>(244,846)</u>	<u>(124,567)</u>
Tax on profit / (loss) on ordinary activities	(4,124)	4,124	-
Profit / (loss) for the financial period	<u><u>116,155</u></u>	<u><u>(240,722)</u></u>	<u><u>(124,567)</u></u>

Notes to the financial statements *(continued)*

2 Prior Year Adjustment *(continued)*

	2012 as previously stated £	Adjustment £	Restated 2012 £
Current Assets			
Work In Progress	203,001	60,787	263,788
Amounts recoverable on contracts	2,146,632	(634,632)	1,512,000
Unpaid share capital	1	-	.1
	<u>2,349,634</u>	<u>(573,845)</u>	<u>1,775,789</u>
Current Liabilities			
Amounts due to related companies	2,128,354	(255,362)	1,872,992
Corporation tax payable	4,124	(4,124)	-
Other creditors	100,000	(100,000)	-
Accruals	1,000	26,363	27,363
	<u>2,233,478</u>	<u>(333,123)</u>	<u>1,900,355</u>
Net assets / (liabilities)	<u>116,156</u>	<u>(240,722)</u>	<u>(124,566)</u>
Capital and reserves			
Called up share capital	1	-	1
Profit and loss account	116,155	(240,722)	(124,567)
Total shareholder's funds / (deficit)	<u>116,156</u>	<u>(240,722)</u>	<u>(124,566)</u>

Notes to the financial statements (*continued*)

3 Tax on profit on ordinary activities

The taxation charge for the period comprised:

	18 Month Period ended 31 Dec 2013	Restated* 9 Month Period ended 30 June 2012
	£	£
Current tax	-	-
Deferred taxation	-	-
Tax on profit / loss on ordinary activities	-	-

*Refer to note 2 for details of the restatement

Factors affecting the tax charge for the current period

The current tax charge for the period is higher than the standard rate of corporation tax in the UK of 23.5% (9 month period ended 30 June 2012: 25.3%).

The differences are explained below.

	18 Month Period ended 31 Dec 2013	Restated* 9 Month Period ended 30 June 2012
	£	£
Profit / (loss) on ordinary activities before taxation	1,884	(124,567)
Tax on profit / (loss) on ordinary activities at standard corporation tax rate of 23.5% (2012: 25.3%)	443	(31,515)
Effects of:		
Group relief claimed before payment	(443)	-
Losses available to carry forward	-	31,515
Current tax charge for period	-	-

No deferred tax has been provided on the trading losses carried forward as the future profitability of the company is uncertain.

Factors affecting future years

The Finance Act 2013, which provides for reductions in the main rate of corporation tax from 23% to 21% with effect from 1 April 2014 and to 20% with effect from 1 April 2015, was substantively enacted on 2 July 2013.

Notes to the financial statements (continued)

4 Debtors: amounts falling due within one year

	31 Dec 2013	Restated* 30 June 2012
	£	£
Amounts recoverable on contracts	1,512,000	1,512,000
Unpaid share capital	1	1
	<hr/>	<hr/>
	1,512,001	1,512,001
	<hr/>	<hr/>

*Refer to note 2 for details of the restatement

5 Creditors: amounts falling due within one year

	31 Dec 2013	Restated* 30 June 2012
	£	£
Amounts due to group companies	1,627,746	1,872,992
Accruals	900	27,363
Payments on account	6,037	-
	<hr/>	<hr/>
	1,634,683	1,900,355
	<hr/>	<hr/>

*Refer to note 2 for details of the restatement

6 Called up share capital

	31 Dec 2013	30 June 2012
	£	£
<i>Allotted, called up and unpaid</i>		
1 (2012 : 1) equity ordinary share of £1 each	1	1
	<hr/>	<hr/>

7 Profit and loss account

	31 Dec 2013	Restated* 30 June 2012
	£	£
At 1 July 2012	(124,567)	-
Profit / (loss) for the financial period	1,884	(124,567)
	<hr/>	<hr/>
At 31 December 2013	(122,683)	(124,567)
	<hr/>	<hr/>

*Refer to note 2 for details of the restatement

Notes to the financial statements (continued)

8 Reconciliation of movement in shareholder's deficit

	18 Month Period ended 31 Dec 2013	*Restated 9 Month Period ended 30 June 2012
	£	£
Profit / (loss) for the financial period	1,884	(124,567)
Net increase / (decrease) in shareholder's deficit	1,884	(124,567)
Issue of shares on incorporation	-	1
Opening shareholder's funds	(124,566)	-
Closing shareholder's deficit	(122,682)	(124,566)

*Refer to note 2 for details of the restatement

9 Immediate and ultimate controlling party

The Company's ultimate parent company is GB Group Holdings Limited which is incorporated in Great Britain and registered in England.

GB Group Holdings Limited heads the largest and smallest group for which consolidated financial statements are prepared. A copy of the financial statements of that company can be obtained from the Registrar of Companies, Crown Way, Maindy, Cardiff, CF14 3UZ.

The directors do not consider there to be an ultimate controlling party.