Registered number: 08861063

BAM PROPCO (JOHNSTONE) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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COMPANIES HOUSE

BAM PROPCO (JOHNSTONE) LIMITED

COMPANY INFORMATION

Directors	T Bolot D Wulwick R Dryden
Registered number	08861063
Registered office	Sussex House 143 Long Acre London WC2E 9AD
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

BAM PROPCO (JOHNSTONE) LIMITED

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BAM PROPCO (JOHNSTONE) LIMITED

DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2014

The directors present their report and the financial statements for the period ended 30 September 2014.

Principal activities

The principal activity of the company is that of an owner of two care homes which are operated by a fellow group company.

The company was incorporated on 24 January 2014 and commenced business on 13 March 2014.

Directors

The directors who served during the period were:

T Bolot (appointed 24 January 2014)
D Wulwick (appointed 24 January 2014)
E Trace (appointed 6 February 2014 & resigned 16 February 2015)

Subsequent to the year end, on 10 March 2015, R Dryden was further appointed as a director.

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

.....
T Bolot
Director

Date: 21 April 2015

BAM PROPCO (JOHNSTONE) LIMITED

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom 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 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 accounting estimates that are reasonable and prudent; 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 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAM PROPCO (JOHNSTONE) LIMITED

We have audited the financial statements of BAM Propco (Johnstone) Limited for the period ended 30 September 2014 which comprises the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC'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 FRC'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 30 September 2014 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1.2 to the financial statements concerning the ability of the company to continue as a going concern. Since its inception the company and the wider group has relied upon funding provided by its bank to finance its investments and to meet its ongoing working capital requirements. These facilities are subject to cross guarantees and security and expire on dates ranging from 13 March 2019 and 15 January 2031, although all of the amounts drawn are repayable on demand.

The company's parent group has prepared projections which show that it and the company should be able to work within the terms of its borrowing facilities for the foreseeable future. The bank has provided a letter of support to the parent company on a non-binding basis, noting that its interests are aligned with the continued operation of the business in accordance with the terms of the debt finance documents. The directors therefore believe the bank will continue to support the group and the company and they have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly they have drawn up the financial statements on a going concern basis.

However as the letter of support from the bank is provided on a non-binding basis, there is a material uncertainty which may cast significant doubt over the company's ability to continue as a going concern. These financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAM PROPCO (JOHNSTONE) LIMITED

Opinion on other matters 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.

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 and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Richard Levy (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: 22 April 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

BAM PROPCO (JOHNSTONE) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 SEPTEMBER 2014

	Note	24 January 2014 to 30 September 2014 £
TURNOVER		**205,447**
Administrative expenses		**(13,161)**
OPERATING PROFIT	2	**192,286**
Interest payable and similar charges		**(205,447)**
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		**(13,161)**
Tax on loss on ordinary activities	3	**-**
LOSS FOR THE FINANCIAL PERIOD	8	**(13,161)**

The notes on pages 7 to 9 form part of these financial statements.

BAM PROPCO (JOHNSTONE) LIMITED
REGISTERED NUMBER: 08861063

BALANCE SHEET
AS AT 30 SEPTEMBER 2014

	Note	£	2014 £
FIXED ASSETS			
Tangible assets	4		**9,381,839**
CURRENT ASSETS			
Debtors	5	**19,424**	
CREDITORS: amounts falling due within one year	6	**(9,414,423)**	
NET CURRENT LIABILITIES			**(9,394,999)**
NET LIABILITIES			**(13,160)**
CAPITAL AND RESERVES			
Called up share capital	7		**1**
Profit and loss account	8		**(13,161)**
SHAREHOLDERS' DEFICIT			**(13,160)**

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
T Bolot
Director

Date: 21 April 2015

The notes on pages 7 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Going concern

Since its inception the company and the wider group has relied upon funding provided by its bank to finance its investments and to meet its ongoing working capital requirements. These facilities are subject to cross guarantees and security and expire on dates ranging from 13 March 2019 and 15 January 2031 although all of the amounts drawn are repayable on demand.

The company's parent group has prepared projections which show that it and the company should be able to work within the terms of its borrowing facilities for the foreseeable future. The bank has provided a letter of support to the parent company on a non-binding basis, noting that its interests are aligned with the continued operation of the business in accordance with the terms of the debt finance documents. The directors therefore believe the bank will continue to support the group and the company and they have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly they have drawn up the financial statements on a going concern basis.

However as the letter of support from the bank is provided on a non-binding basis, there is a material uncertainty which may cast significant doubt over the company's ability to continue as a going concern. These financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

1.3 Turnover

Turnover comprises revenue recognised in respect of rental income received from the company's property. The turnover is recognised on an accruals basis.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture, fixtures and fittings	-	20% straight line

1.5 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.

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 at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2. OPERATING PROFIT

The operating profit is stated after charging:

	24 January 2014 to 30 September 2014 £
Depreciation of tangible fixed assets:	
- owned by the company	13,161

During the period, no director received any emoluments.

3. TAXATION

	24 January 2014 to 30 September 2014 £
UK corporation tax charge on loss for the period	-

4. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture, fixtures and fittings £	Total £
Cost			
At 24 January 2014	-	-	-
Additions	9,275,500	119,500	9,395,000
At 30 September 2014	9,275,500	119,500	9,395,000
Depreciation			
At 24 January 2014	-	-	-
Charge for the period	-	13,161	13,161
At 30 September 2014	-	13,161	13,161
Net book value			
At 30 September 2014	9,275,500	106,339	9,381,839

5. DEBTORS

	2014 £
Amounts owed by group undertakings	19,424

6. CREDITORS:
Amounts falling due within one year

	2014 £
Amounts owed to group undertakings	**9,414,423**

7. SHARE CAPITAL

	2014 £
Allotted, called up and fully paid	
1 ordinary share of £1	**1**

On incorporation, 1 ordinary £1 share was issued at par.

8. RESERVES

	Profit and loss account £
Loss for the financial period	**(13,161)**
At 30 September 2014	**(13,161)**

9. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under paragraph 16.2 of the Financial Reporting Standard for Smaller Entities not to disclose transactions with other members of the group.

10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is BAM Propco (2) Limited.

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is BAM Parentco (2) Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ. In the opinion of the directors this is the company's ultimate parent company.

The ultimate controlling party is Mr T Bolot.

11. FINANCIAL COMMITMENTS

The company has given a fixed and floating charge over all of its assets as security for the borrowings of its fellow subsidiary undertakings. The total amount of group borrowings outstanding at 30 September 2014 was £37.2 million.