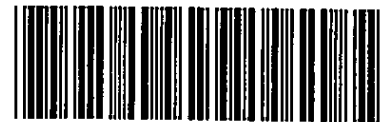


BARKER CARE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

John Cumming Ross Limited
Chartered Certified Accountants
First floor, Kirkland House
11-15 Peterborough Road
Harrow
Middlesex
HA1 2AX

FRIDAY



A24 *A36L8EKW* #91
25/04/2014
COMPANIES HOUSE

BARKER CARE LIMITED

REGISTRAR

COMPANY INFORMATION

Directors

Mr M C Desai
Mr K C Desai
Mr A Desai

Secretary

Mr K C Desai

Company number

01385930

Registered office

20 Richmond Hill
Clifton
Bristol
BS8 1BA

Auditors

John Cumming Ross Limited
Chartered Certified Accountants
1st Floor, Kirkland House
11-15 Peterborough Road
Harrow
Middlesex
HA1 2AX

Bankers

HSBC Bank Plc
Coventry DSC
Harry Weston Road
Binley
West Midlands
CV3 2TQ

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 - 18

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2013

The directors present their report and financial statements for the year ended 31 July 2013

Principal activities and review of the business

The principal activity of the company was that of operating nursing homes

The results for the year and financial position of the company as shown in the financial statements are considered to be satisfactory by the directors

The company's principal financial instruments comprise of bank balances, bank borrowings, trade creditors, trade debtors and hire purchase creditors. The main purpose of these instruments is to raise funds for and to finance the company's operations. In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts. The company manages the liquidity risk by ensuring there are sufficient funds to meet the payments. The company uses interest rate swaps to mitigate the exposure to unfavourable interest rate movements in relation to its bank borrowings. The liquidity risk in respect of hire purchase creditors is managed in the same way as the bank borrowings. Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due for payment. Trade debtors are managed in respect of credit and cash flow risk by policies concerning the customer credit accounts, together with the daily monitoring of amounts outstanding.

The directors are of the opinion that analysis using key performance indicators is not necessary for understanding the development, performance and position of the business.

Results and dividends

The results for the year are set out on page 5

The directors do not propose payment of a dividend for the year under review

Market value of land and buildings

In the opinion of the directors, the present market value of the company's properties exceeds the amounts at which they are stated in the financial statements. Details are set out in note 8

Future developments

Considering the current challenging market conditions in the care home sector, the directors however are optimistic that there will be continued and sustained growth in the company for the foreseeable future

Directors

The following directors have held office since 1 August 2012

Mr M C Desai

Mr K C Desai

Mr A Desai

Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386(1) of the Companies Act 1985. Therefore, the auditors, John Cumming Ross Limited, will be deemed to be reappointed for each succeeding financial year

BARKER CARE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2013**

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 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,
- 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr A Desai

Director

24/4/2014

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BARKER CARE LIMITED**

We have audited the financial statements of Barker Care Limited for the year ended 31 July 2013 set out on pages 5 to 18. 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 auditors' 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 Directors' Responsibilities Statement set out on pages 1 - 2, 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 Directors' Report to identify material inconsistencies with the audited financial statements. 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 July 2013 and of its profit for the year 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 year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BARKER CARE LIMITED

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



Mr Dilip Popatlal Unarket (Senior Statutory Auditor)
for and on behalf of John Cumming Ross Limited
Chartered Certified Accountants and Statutory Auditors
1st Floor, Kirkland House
11-15 Peterborough Road
Harrow
Middlesex
HA1 2AX

24/4/2014

BARKER CARE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 2013

	Notes	2013 £	2012 £
Turnover	2	5,748,240	5,574,369
Administrative expenses		(4,856,193)	(4,529,926)
Other operating income		32,425	32,400
Operating profit	3	924,472	1,076,843
Other interest receivable and similar income	4	4,626	3,945
Interest payable and similar charges	5	(428,814)	(433,094)
Profit on ordinary activities before taxation		500,284	647,694
Tax on profit on ordinary activities	6	(116,677)	(186,081)
Profit for the year	15	383,607	461,613

The profit and loss account has been prepared on the basis that all operations are continuing operations

BARKER CARE LIMITED*REGISTRAR***STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 JULY 2013**

	Notes	2013 £	2012 £
Profit for the financial year		383,607	461,613
Prior year adjustment	15	-	287,468
Total gains and losses recognised since last financial statements		<u>383,607</u>	<u>749,081</u>

BARKER CARE LIMITED

REGISTRAR

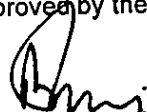
BALANCE SHEET

AS AT 31 JULY 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Intangible assets	7		1		1
Tangible assets	8		10,223,218		10,079,233
			<u>10,223,219</u>		<u>10,079,234</u>
Current assets					
Stocks	9	11,455		11,092	
Debtors	10	397,074		605,387	
Deferred tax asset	10	21,289		19,035	
Cash at bank and in hand		1,285,115		1,260,933	
		<u>1,714,933</u>		<u>1,896,447</u>	
Creditors' amounts falling due within one year	11	(865,968)		(959,184)	
Net current assets			<u>848,965</u>		<u>937,263</u>
Total assets less current liabilities			11,072,184		11,016,497
Creditors' amounts falling due after more than one year	12		(8,455,516)		(8,783,436)
			<u>2,616,668</u>		<u>2,233,061</u>
Capital and reserves					
Called up share capital	14		100		100
Profit and loss account	15		2,616,568		2,232,961
Shareholders' funds	16		<u>2,616,668</u>		<u>2,233,061</u>

Approved by the Board and authorised for issue on

24/4/14



Mr A Desai
Director

Company Registration No 01385930

BARKER CARE LIMITED*REGISTRAR***CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2013**

	Notes	£	2013 £	£	2012 £
Net cash inflow from operating activities	18		1,304,184		1,025,741
Returns on investments and servicing of finance					
Interest received		4,626		3,945	
Interest paid		(428,814)		(433,094)	
Net cash outflow for returns on investments and servicing of finance			(424,188)		(429,149)
Taxation			(177,161)		(53,307)
Capital expenditure					
Payments to acquire tangible assets		(341,421)		(313,883)	
Net cash outflow for capital expenditure			(341,421)		(313,883)
Net cash inflow before management of liquid resources and financing			361,414		229,402
Financing					
Repayment of long term bank loan		(330,079)		(250,298)	
Capital element of hire purchase contracts		8,952		(5,750)	
Net cash outflow from financing			(339,399)		(256,048)
Increase/(decrease) in cash in the year	19, 20		40,287		(26,646)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

1 Accounting policies**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

1.2 Turnover

Turnover represents amounts invoiced for services during the year

1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life

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 less estimated residual value of each asset over its expected useful life, as follows

Computer Equipment	15% on a straight line basis
Fixtures, fittings & equipment	15% on straight line basis
Motor vehicles	25% reducing balance basis

No depreciation is provided on freehold and long leasehold properties used for the company's activities. It is the company's policy to maintain these properties in a continuous state of sound repair and to extend and improve the properties from time to time, and accordingly, it is considered that the anticipated useful life of the properties is such that any charge for depreciation would be insignificant

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period

1.6 Stock

Stock is valued at the lower of cost and net realisable value

1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

1.8 Comparative amounts

Certain comparative amounts have been restated to ensure comparability without affecting the relevant net results

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

BARKER CARE LIMITED*REGISTRAR***NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2013**

3	Operating profit	2013	2012
		£	£
	Operating profit is stated after charging		
	Amortisation of intangible assets	-	84,999
	Depreciation of tangible assets	197,436	181,694
	Auditors' remuneration (including expenses and benefits in kind)	9,000	8,790
		<u> </u>	<u> </u>
4	Investment income	2013	2012
		£	£
	Bank interest	4,611	3,929
	Other interest	15	16
		<u> </u>	<u> </u>
		4,626	3,945
		<u> </u>	<u> </u>
5	Interest payable	2013	2012
		£	£
	Bank interest	20	15
	Bank loan interest	428,064	432,562
	Hire purchase interest	730	517
		<u> </u>	<u> </u>
		428,814	433,094
		<u> </u>	<u> </u>

BARKER CARE LIMITED*REGISTRAR***NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 JULY 2013

6	Taxation	2013	2012
		£	£
	Domestic current year tax		
	U K corporation tax	118,931	181,359
	Adjustment for prior years	-	(8,651)
	Total current tax	118,931	172,708
	Deferred tax		
	Deferred tax charge/credit current year	(2,254)	13,373
		116,677	186,081
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	500,284	647,694
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.24% (2012 - 25.27%)	116,261	163,672
	Effects of		
	Non deductible expenses	-	88
	Depreciation add back	45,884	59,446
	Capital allowances	(43,239)	(41,870)
	Adjustments to previous periods	-	(8,651)
	Other tax adjustments	25	23
		2,670	9,036
	Current tax charge for the year	118,931	172,708
7	Intangible fixed assets		Goodwill
			£
		Cost	
		At 1 August 2012 & at 31 July 2013	2,180,000
		Amortisation	
		At 1 August 2012 & at 31 July 2013	2,179,999
	Net book value		
	At 31 July 2013		1
	At 31 July 2012		1

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2013

8 Tangible fixed assets

	Land and Buildings Freehold £	Land and Buildings Leasehold £	Computer Equipment £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost						
At 1 August 2012	4,791,969	4,538,891	8,514	1,202,783	-	10,542,157
Additions	58,950	171,981	-	92,340	18,150	341,421
At 31 July 2013	4,850,919	4,710,872	8,514	1,295,123	18,150	10,883,578
Depreciation						
At 1 August 2012	-	-	4,281	458,643	-	462,924
Charge for the year	-	-	1,277	194,267	1,892	197,436
At 31 July 2013	-	-	5,558	652,910	1,892	660,360
Net book value						
At 31 July 2013	4,850,919	4,710,872	2,956	642,213	16,258	10,223,218
At 31 July 2012	4,791,969	4,538,891	4,233	744,140	-	10,079,233

Included above are assets held under finance leases or hire purchase contracts as follows

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Net book values			
At 31 July 2013	11,373	16,259	27,632
At 31 July 2012	14,468	-	14,468
Depreciation charge for the year			
At 31 July 2013	9,305	1,891	11,196
At 31 July 2012	3,102	-	3,102

9 Stocks

	2013 £	2012 £
Finished goods and goods for resale	11,455	11,092

BARKER CARE LIMITED*REGISTRAR***NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2013**

10 Debtors	2013	2012
	£	£
Trade debtors	389,170	274,243
Other debtors	-	284,628
Prepayments and accrued income	7,904	46,516
Deferred tax asset (see note 13)	21,289	19,035
	<u>418,363</u>	<u>624,422</u>

11 Creditors, amounts falling due within one year	2013	2012
	£	£
Bank loans and overdrafts	337,614	349,741
Net obligations under hire purchase contracts	8,565	5,750
Trade creditors	65,708	106,486
Corporation tax	118,931	177,161
Other taxes and social security costs	49,621	50,955
Directors' current accounts	-	17,974
Other creditors	37,291	-
Accruals and deferred income	248,238	251,117
	<u>865,968</u>	<u>959,184</u>

BARKER CARE LIMITED*REGISTRAR***NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2013**

12 Creditors, amounts falling due after more than one year	2013 £	2012 £
Bank loans	8,446,507	8,780,561
Net obligations under hire purchase contracts	9,009	2,875
	<u>8,455,516</u>	<u>8,783,436</u>
Analysis of loans		
Wholly repayable within five years	8,778,775	9,108,851
	<u>8,778,775</u>	<u>9,108,851</u>
Included in current liabilities	(332,268)	(328,290)
	<u>8,446,507</u>	<u>8,780,561</u>
Loan maturity analysis		
In more than one year but not more than two years	336,465	332,268
In more than two years but not more than five years	8,110,042	8,448,293
	<u>8,446,507</u>	<u>8,780,561</u>

The bank loans are secured by a fixed and floating charge over the assets of the company. The company has also given a security over the cash deposits of £1,100,000. Interest on loan is charged at 2.15% per annum over the bank's sterling base rate and subject to base rate swap agreements.

Net obligations under hire purchase contracts		
Repayable within one year	8,565	5,750
Repayable between one and five years	9,009	2,875
	<u>17,574</u>	<u>8,625</u>
Included in liabilities falling due within one year	(8,565)	(5,750)
	<u>9,009</u>	<u>2,875</u>

BARKER CARE LIMITED*REGISTRAR***NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2013****13 Provisions for liabilities**

The deferred tax asset (included in debtors, note 10) is made up as follows:

	2013 £
Balance at 1 August 2012	(19,035)
Profit and loss account	(2,254)
Balance at 31 July 2013	<u>(21,289)</u>

	2013 £	2012 £
Decelerated capital allowances	<u>(21,289)</u>	<u>(19,035)</u>

14 Share capital

	2013 £	2012 £
Allotted, called up and fully paid 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 August 2012	2,232,961
Profit for the year	383,607
Balance at 31 July 2013	<u>2,616,568</u>

16 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit for the financial year	383,607	461,613
Opening shareholders' funds	<u>2,233,061</u>	<u>1,771,448</u>
Closing shareholders' funds	<u>2,616,668</u>	<u>2,233,061</u>

BARKER CARE LIMITED*REGISTRAR***NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2013****17 Employees****Number of employees**

The average monthly number of employees (including directors) during the year was

	2013 Number	2012 Number
Nursing and administrative	184	189

Employment costs

	2013 £	2012 £
Wages and salaries	3,128,719	2,908,498
Social security costs	213,786	229,638
	<u>3,342,505</u>	<u>3,138,136</u>

18 Reconciliation of operating profit to net cash outflow from operating activities

	2013 £	2012 £
Operating profit	924,472	1,076,843
Depreciation of tangible assets	197,436	181,694
Amortisation of intangible assets	-	84,999
Increase in stocks	(363)	(1,804)
Decrease/(increase) in debtors	208,313	(283,913)
Decrease in creditors within one year	(25,674)	(32,078)
Net cash inflow from operating activities	<u>1,304,184</u>	<u>1,025,741</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2013

19	Analysis of net debt	1 August 2012 £	Cash flow £	Other non- cash changes £	31 July 2013 £
	Net cash				
	Cash at bank and in hand	1,260,933	24,182	-	1,285,115
	Bank overdrafts	(21,451)	16,105	-	(5,346)
		<u>1,239,482</u>	<u>40,287</u>	<u>-</u>	<u>1,279,769</u>
	Debt				
	Finance leases	(8,625)	(27,221)	18,272	(17,574)
	Debts falling due within one year	(328,290)	(3,978)	-	(332,268)
	Debts falling due after one year	(8,780,561)	334,054	-	(8,446,507)
		<u>(9,117,476)</u>	<u>302,855</u>	<u>18,272</u>	<u>(8,796,349)</u>
	Net debt	<u><u>(7,877,994)</u></u>	<u><u>343,142</u></u>	<u><u>18,272</u></u>	<u><u>(7,516,580)</u></u>
20	Reconciliation of net cash flow to movement in net debt			2013 £	2012 £
	Increase/(decrease) in cash in the year			40,287	(26,646)
	Cash outflow from decrease in debt and lease financing			302,855	256,048
				<u>343,142</u>	<u>229,402</u>
	Change in net debt resulting from cash flows			343,142	229,402
	New finance lease			18,272	-
				<u>361,414</u>	<u>229,402</u>
	Movement in net debt in the year			<u>361,414</u>	<u>229,402</u>
	Opening net debt			(7,877,994)	(8,107,396)
				<u>(7,516,580)</u>	<u>(7,877,994)</u>
	Closing net debt			<u><u>(7,516,580)</u></u>	<u><u>(7,877,994)</u></u>

21 Related party relationships and transactions

BARKER CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2013

REGISTRAR

21 Related party relationships and transactions

(Continued)

During the two years ended 31 July 2013, Mr A M Desai, a director, together with members of his close family, controlled the company by virtue of a controlling interest of 100% of the issued ordinary share capital

At the balance sheet date, the amounts due to the directors were

Mr K C Desai £nil [2012 - £514]

Mr M C Desai £nil [2012 - £548]

Mr A Desai £nil [2012 - £16,912]

Transactions during the year with Cedar Care Homes Limited, a company in which the directors are shareholders were

Telephone	£4,806 [2012-£3,788]
Motor expenses	£25,691 [2012-£22,060]
Management charges	£158,957 [2012- £135,671]

The amount due from Cedar Care Homes Limited at the balance sheet date was £nil [2012 - £198,358]

The amount due from Desai Care Homes, a partnership in which the directors of the company are partners at the balance sheet date was £nil [2012 - £86,270]

The director Mr A M Desai has given a personal guarantee of £350,000 to the bank to secure the borrowings of the company