

Company Registration No 03920021 (England and Wales)

MILLENNIUM CARE GROUP LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012



MILLENNIUM CARE GROUP LIMITED

DIRECTORS AND ADVISERS

Directors	Mr Gerald Clough Mrs Margaret Clough Mr Steven Clough
Secretary	Mr Steven Clough
Company number	03920021
Registered office	Millennium House Station Lane Featherstone Pontefract West Yorkshire WF7 5BA
Registered auditors	Haigh & Co Grange Cottage Womersley Doncaster DN6 9BW
Business address	Millenium House, Station Lane Featherstone Pontefract West Yorkshire WF7 5BA
Bankers	Yorkshire Bank 94 Albion Street Leeds West Yorkshire LS1 6AG

MILLENNIUM CARE GROUP LIMITED

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MILLENNIUM CARE GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and financial statements for the year ended 31 December 2012

Principal activities and review of the business

The principal activity of the group continued to be that of the provision of residential and non-residential care for adults with learning difficulties and challenging behaviour

The company has continued its activity in 2012 by purchasing further properties to provide additional residential care for adults with learning difficulties

The financial year 2012 was satisfactory given the underlying economic conditions and the cut backs in funding from local authorities. The figures reflect the success of the company being able to maximise the use of the homes and resource centre. All costs are at an appropriate level for the anticipated level of care provision in the future and the group is well placed to take advantage of future opportunities that may arise over the next financial year including the opening of a new residential home.

In order to manage the group successfully, the strategic and management risks facing the group are regularly reviewed and updated. The directors are of the opinion that the principle risk in the short to medium term, is the level of potential cut-backs in the funding of care for people with learning difficulties. The directors are also aware of the risk that people with learning difficulties are vulnerable to abuse and to minimise this risk, the workforce are engaged in a rolling training program.

The net assets of the group were £5,207,303 (2011 £4,553,435) at the Balance Sheet date.

Given the straightforward nature of the business, the group's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

In 2013 the company has purchased a freehold property for £275,000, to expand the group's provision of care services and the subsidiary company has successfully re-tendered with Wakefield Council for the provision of Support and Enablement and Supported Living for adults and children with learning disabilities, for the four years commencing 1 October 2013.

Results and dividends

The consolidated profit and loss account for the year is set out on page 5.

It is proposed that the retained profit of £650,418 is transferred to the group's reserves.

Directors

The following directors have held office since 1 January 2012:

Mr Gerald Clough
Mrs Margaret Clough
Mr Steven Clough

Auditors

In accordance with the company's articles, a resolution proposing that Haigh & Co be reappointed as auditors of the company will be put at a General Meeting.

MILLENNIUM CARE GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

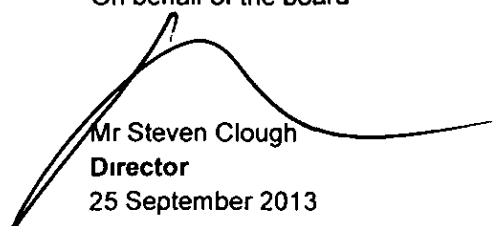
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group 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 group'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 group's auditors are aware of that information.

On behalf of the board



Mr Steven Clough

Director

25 September 2013

MILLENNIUM CARE GROUP LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MILLENNIUM CARE GROUP LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Millennium Care Group Limited for the year ended 31 December 2012 set out on pages 5 to 23. 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 Annual 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 group's and parent company's affairs as at 31 December 2012 and of the group's 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.

MILLENNIUM CARE GROUP LIMITED

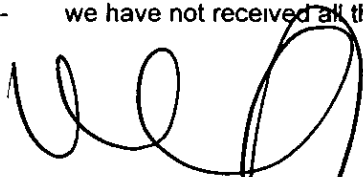
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF MILLENNIUM CARE GROUP 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Mrs W M Haigh (Senior Statutory Auditor)
for and on behalf of Haigh & Co

25 September 2013

Certified Accountants
Statutory Auditor

Grange Cottage
Womersley
Doncaster
DN6 9BW

MILLENNIUM CARE GROUP LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Turnover	2	6,122,993	5,713,898
Cost of sales		(3,389,050)	(3,075,562)
Gross profit		2,733,943	2,638,336
Administrative expenses		(1,227,045)	(1,190,911)
Other operating income		4,082	4,532
Operating profit	3	1,510,980	1,451,957
Other interest receivable and similar income		18,381	7,397
Interest payable and similar charges	4	(3,545)	(3,140)
Profit on ordinary activities before taxation		1,525,816	1,456,214
Tax on profit on ordinary activities	5	(378,398)	(413,207)
Profit on ordinary activities after taxation		1,147,418	1,043,007

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

MILLENNIUM CARE GROUP LIMITED

STATEMENT OF RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2012

	2012 £	2011 £
Profit for the financial year	1,147,418	1,043,007
Unrealised surplus on revaluation of properties	3,451	-
Total recognised gains and losses relating to the year	<u>1,150,869</u>	<u>1,043,007</u>

MILLENNIUM CARE GROUP LIMITED

BALANCE SHEETS

AS AT 31 DECEMBER 2012

	Notes	Group 2012 £	2011 £	Company 2012 £	2011 £
Fixed assets					
Tangible assets	9 and 10	3,409,885	2,630,878	3,275,631	2,491,020
Investments	11	-	-	200	200
		<u>3,409,885</u>	<u>2,630,878</u>	<u>3,275,831</u>	<u>2,491,220</u>
Current assets					
Debtors	12	717,103	879,415	24,634	219,638
Cash at bank and in hand		1,820,644	1,595,193	724,930	1,252,067
		<u>2,537,747</u>	<u>2,474,608</u>	<u>749,564</u>	<u>1,471,705</u>
Creditors, amounts falling due within one year	13	(678,225)	(491,021)	(149,715)	(142,246)
Net current assets		<u>1,859,522</u>	<u>1,983,587</u>	<u>599,849</u>	<u>1,329,459</u>
Total assets less current liabilities		<u>5,269,407</u>	<u>4,614,465</u>	<u>3,875,680</u>	<u>3,820,679</u>
Provisions for liabilities	14	(58,022)	(52,866)	(53,226)	(43,468)
Accruals and deferred income	15	(4,082)	(8,165)	-	-
		<u>5,207,303</u>	<u>4,553,434</u>	<u>3,822,454</u>	<u>3,777,211</u>
Capital and reserves					
Called up share capital	17	1,400	1,400	1,400	1,400
Share premium account	18	412,078	412,078	412,078	412,078
Other reserves	18	3,451	-	3,451	-
Profit and loss account	18	4,790,374	4,139,956	3,405,525	3,363,733
Shareholders' funds	19	<u>5,207,303</u>	<u>4,553,434</u>	<u>3,822,454</u>	<u>3,777,211</u>

Approved by the Board and authorised for issue on 25 September 2013

Mr Steven Clough
Director

Company Registration No. 03920021

MILLENNIUM CARE GROUP LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	£	2012 £	£	2011 £
Net cash inflow from operating activities		2,062,618		1,485,847
Returns on investments and servicing of finance				
Interest received	18,381		7,397	
Interest paid	(3,545)		(3,140)	
Net cash inflow for returns on investments and servicing of finance		14,836		4,257
Taxation		(443,017)		(561,841)
Capital expenditure				
Payments to acquire tangible assets	(911,986)		(195,836)	
Net cash outflow for capital expenditure		(911,986)		(195,836)
Equity dividends paid		(497,000)		(196,000)
Net cash inflow before management of liquid resources and financing		225,451		536,427
Management of liquid resources				
Bank deposits	(250,000)		-	
		(250,000)		-
(Decrease)/increase in cash in the year		(24,549)		536,427

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

1	Reconciliation of operating profit to net cash inflow from operating activities	2012	2011
		£	£
	Operating profit	1,510,980	1,451,957
	Depreciation of tangible assets	136,396	146,644
	Loss on disposal of tangible assets	33	-
	Decrease/(increase) in debtors	162,312	(65,354)
	Increase/(decrease) in creditors within one year	256,979	(43,318)
	Movement on grant provision	(4,082)	(4,082)
	Net cash inflow from operating activities	2,062,618	1,485,847

2	Analysis of net funds	1 January 2012	Cash flow	Other non-cash changes	31 December 2012
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,595,193	(24,549)	-	1,570,644
	Liquid resources				
	Bank deposits	-	250,000	-	250,000
	Net funds	1,595,193	225,451	-	1,820,644

3	Reconciliation of net cash flow to movement in net funds	2012	2011
		£	£
	(Decrease)/increase in cash in the year	(24,549)	536,427
	Cash outflow from increase in liquid resources	250,000	-
	Movement in net funds in the year	225,451	536,427
	Opening net funds	1,595,193	1,058,766
	Closing net funds	1,820,644	1,595,193

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention, modified to include the revaluation of Investment Properties

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2012. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

Under section 408 of the Companies Act 2006, the company is exempt from the requirement to present its own profit and loss account.

1.4 Turnover

Turnover represents amounts receivable for services provided, net of VAT and trade discounts. Turnover in respect of service contracts (including property leases) is recognised when the company obtains the right to receive consideration for the services rendered to its customer. When income is invoiced in advance, that part relating to after the balance sheet date, is deferred.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of five years.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets include investment properties professionally valued by Property Agents on an existing use open market value basis. Other tangible fixed assets other than freehold land 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:

Land and buildings Freehold	4% reducing balance
Plant and machinery	25% reducing balance
Computer equipment	33% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance
Other assets	10% straight line

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies (Continued)

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.8 Investments

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

1.9 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.10 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

1.11 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred

2 Turnover

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

3 Operating profit	2012 £	2011 £
Operating profit is stated after charging		
Depreciation of tangible assets	136,396	146,644
Loss on disposal of tangible assets	33	-
Operating lease rentals		
- Plant and machinery	11,236	8,931
Fees payable to the group's auditor for the audit of the group's annual accounts (company £8,500, 2011 £8,500)	20,574	20,379
and after crediting		
Government grants	4,082	4,082
	<u> </u>	<u> </u>
4 Interest payable	2012 £	2011 £
On overdue tax	3,545	3,140
	<u> </u>	<u> </u>

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

5	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	388,500	425,017
	Adjustment for prior years	(15,258)	349
	Total current tax	<u>373,242</u>	<u>425,366</u>
	Deferred tax		
	Deferred tax charge credit current year	5,156	(12,159)
		<u>5,156</u>	<u>(12,159)</u>
		<u>378,398</u>	<u>413,207</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>1,525,816</u>	<u>1,456,214</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.5% (2011 - 26%)	<u>373,825</u>	<u>378,616</u>
	Effects of		
	Non deductible expenses	790	13,889
	Depreciation add back	33,425	38,127
	Capital allowances	(18,668)	(12,716)
	Adjustments to previous periods	(15,258)	349
	Other tax adjustments	(872)	7,101
		<u>(583)</u>	<u>46,750</u>
	Current tax charge for the year	<u>373,242</u>	<u>425,366</u>

6 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows

	2012 £	2011 £
Holding company's profit for the financial year	<u>538,792</u>	<u>1,365,636</u>

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

7	Dividends	2012	2011
		£	£
	Ordinary interim paid	497,000	196,000
		<u> </u>	<u> </u>
8	Intangible fixed assets		
	Group		Goodwill
			£
	Cost		
	At 1 January 2012 & at 31 December 2012		42,667
			<u> </u>
	Amortisation		
	At 1 January 2012 & at 31 December 2012		42,667
			<u> </u>
	Net book value		
	At 31 December 2012		-
			<u> </u>
	At 31 December 2011		-
			<u> </u>

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

9 Tangible fixed assets

Group	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2012	2,992,889	191,222	96,740	126,173	3,407,024
Additions	806,518	20,334	12,765	1,500	841,117
Disposals	(508,626)	-	(150)	-	(508,776)
At 31 December 2012	3,290,781	211,556	109,355	127,673	3,739,365
Depreciation					
At 1 January 2012	501,869	127,147	66,285	80,845	776,146
On disposals	(39,576)	-	(117)	-	(39,693)
Charge for the year	96,226	19,282	9,387	11,501	136,396
At 31 December 2012	558,519	146,429	75,555	92,346	872,849
Net book value					
At 31 December 2012	2,732,262	65,127	33,800	35,327	2,866,516
At 31 December 2011	2,491,020	64,075	30,455	45,328	2,630,878

Disposals of Land and buildings Freehold, include cost of £508,626 and depreciation of £39,576, being reallocations to Investment Properties

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

Tangible fixed assets

Company

	Land and buildings Freehold £
Cost	
At 1 January 2012	2,992,889
Additions	806,518
Disposals	(508,626)
At 31 December 2012	3,290,781
Depreciation	
At 1 January 2012	501,869
On disposals	(39,576)
Charge for the year	96,226
At 31 December 2012	558,519
Net book value	
At 31 December 2012	2,732,262
At 31 December 2011	2,491,020

Disposals of Land and buildings Freehold, include cost of £508,626 and depreciation of £39,576, being reallocations to Investment Properties

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

10 Tangible fixed assets Investment properties

	Group £	Company £
Cost		
At 1 January 2012	-	-
Additions	539,918	539,918
Revaluation	3,451	3,451
At 31 December 2012	543,369	543,369
Depreciation		
At 1 January 2012 & at 31 December 2012	-	-
Net book value		
At 31 December 2012	543,369	543,369

Investment Properties additions, include £469,050 reallocated from Freehold Land and Buildings

The Investment Properties have been valued at the Balance Sheet date, on an open market value basis, by the Directors, after taking advice from Castle Dwellings Limited, the Company's property consultant and agent

The Investment Properties have an historical cost to the Company of £579,494 and some of them had been depreciated by £39,576 before being treated as Investment Properties

11 Fixed asset investments

Company

	Shares in group undertakings £
Cost	
At 1 January 2012 & at 31 December 2012	200
Net book value	
At 31 December 2012	200
At 31 December 2011	200

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

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

11 Fixed asset investments

(Continued)

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Millennium Care Services Limited	England	Ordinary	100 00
Millennium Care (West Yorkshire) Limited	England	Ordinary	100 00

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

	Principal activity
Millennium Care Services Limited	Operation of residential homes
Millennium Care (West Yorkshire) Limited	Dormant

12 Debtors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	603,715	608,253	2,329	7,310
Other debtors	84,773	257,904	12,162	207,828
Prepayments and accrued income	28,615	13,258	10,143	4,500
	<u>717,103</u>	<u>879,415</u>	<u>24,634</u>	<u>219,638</u>

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

13 Creditors amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade creditors	39,694	33,864	4,319	3,205
Amounts owed to group undertakings	-	-	79,961	78,133
Corporation tax	183,242	253,017	27,242	51,417
Taxes and social security costs	82,275	72,197	-	-
Directors current accounts	22,112	-	22,112	-
Other creditors	11,633	6,746	60	60
Accruals and deferred income	339,269	125,197	16,021	9,431
	<u>678,225</u>	<u>491,021</u>	<u>149,715</u>	<u>142,246</u>

14 Provisions for liabilities

Group

Deferred taxation £

Balance at 1 January 2012& at 31 December 2012	52,866
Profit and loss account	5,156
Balance at 31 December 2012	<u>58,022</u>

Company

Balance at 1 January 2012& at 31 December 2012	43,468
Profit and loss account	9,758
Balance at 31 December 2012	<u>53,226</u>

The deferred tax liability is made up as follows

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Accelerated capital allowances	<u>58,022</u>	<u>52,866</u>	<u>53,226</u>	<u>43,468</u>

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

15 Accruals and deferred income

Group	Government grants £
Balance at 1 January 2012	8,164
Amortisation in the year	(4,082)
Balance at 31 December 2012	<u>4,082</u>

16 Pension and other post-retirement benefit commitments

Defined contribution

	2012 £	2011 £
Contributions payable by the group for the year	<u>37,340</u>	<u>50,198</u>

17 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
400 Ordinary A shares of £1 each	400	400
	<u>1,400</u>	<u>1,400</u>

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

18 Statement of movements on reserves Group

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 January 2012	412,078	-	4,139,956
Profit for the year	-	-	1,147,418
Dividends paid	-	-	(497,000)
Movement during the year	-	3,451	-
Balance at 31 December 2012	<u>412,078</u>	<u>3,451</u>	<u>4,790,374</u>

Other reserves

Investment property revaluation reserve increase	3,451
Balance at 31 December 2012	<u>3,451</u>

Company

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 January 2012	412,078	-	3,363,733
Profit for the year	-	-	538,792
Dividends paid	-	-	(497,000)
Movement during the year	-	3,451	-
Balance at 31 December 2012	<u>412,078</u>	<u>3,451</u>	<u>3,405,525</u>

Other reserves

Investment property revaluation reserve increase	3,451
Balance at 31 December 2012	<u>3,451</u>

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

19 Reconciliation of movements in shareholders' funds	Group	2012	2011
		£	£
Profit for the financial year		1,147,418	1,043,007
Dividends		(497,000)	(196,000)
Investment Properties valuation increase		3,451	-
Net addition to shareholders' funds		653,869	847,007
Opening shareholders' funds		4,553,434	3,706,427
Closing shareholders' funds		5,207,303	4,553,434
Company		2012	2011
		£	£
Profit for the financial year		538,792	1,365,636
Dividends		(497,000)	(196,000)
Investment Properties valuation increase		3,451	-
Net addition to shareholders' funds		45,243	1,169,636
Opening shareholders' funds		3,777,211	2,607,575
Closing shareholders' funds		3,822,454	3,777,211

20 Financial commitments

At 31 December 2012 the group had annual commitments under non-cancellable operating leases as follows

	Other	
	2012	2011
	£	£
Expiry date		
Between two and five years	8,461	8,461

21 Capital commitments

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Contracted for but not provided in the financial statements	407,995	-	407,995	-

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

22 Directors' remuneration	2012	2011
	£	£
Remuneration	61,614	49,918

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 1)

Directors' remuneration consists of emoluments & benefits-in-kind of £59,053 (2011 £49,918) and payments to defined contribution pension scheme of £2,561

23 Employees

Number of employees

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

	2012	2011
	Number	Number
Support	195	176
Administration	11	10
Maintenance	3	3
	209	189

Employment costs	2012	2011
	£	£
Wages and salaries	3,487,676	3,158,689
Social security costs	274,835	264,200
Other pension costs	37,340	50,198
	3,799,851	3,473,087

24 Post Balance Sheet Events

Since the year-end date, the company has received dividends of £900,000, paid dividends of £95,000 and purchased a freehold property for £275,000 to expand the group's provision of care services

MILLENNIUM CARE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

25 Related party relationships and transactions

Loans to/(from) Directors

Transactions in relation to loans with directors during the year are outlined in the table below

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Loan to/(from) G & M Clough by parent company	4 00	154,489	18,254	4,604	(199,460)	(22,113)
Loan to S Clough by parent company	4 00	50,540	-	1,483	(52,023)	-
Loan to G & M Clough by subsidiary	4 00	5,367	19,155	609	(504)	24,627
		<u>210,396</u>	<u>37,409</u>	<u>6,696</u>	<u>(251,987)</u>	<u>2,514</u>

Dividends Paid

The following directors were paid dividends during the year as outlined in the table below

	2012 £	2011 £
Gerald Clough	80,500	18,000
Margaret Clough	80,500	18,000
	<u>161,000</u>	<u>36,000</u>

During the year, the company paid dividends of £336,000 (2011 £160,000) to Maine Road Properties Limited. Maine Road Properties is owned by several Settlements of Gerald Clough and Margaret Clough and owns the 400 £1 "A" Ordinary Shares in this company.

Exemption

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.

Maine Road Properties Limited (MRPL)

MRPL's relationship to the company is explained above. During the year, the company paid £12,000 on behalf of MRPL and that amount is still owed by MRPL to the company, at the year-end date.

Debenture and Charges

Mr G Clough and Mrs M A Clough each hold a debenture for the value of £92,381, secured against various company assets, dated 28 March 2003 and a legal charge for the value of £48,000, secured against the company's property at 60 Pontefract Road, Featherstone, dated 28 March 2003.