

Fairhaven Care Home Limited

**Director's report and financial
statements
for the year ended 31 March 2012
Registered number 4677752**

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Directors' report

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

This report and financial statements have been prepared in accordance with SI 2008/409 Small Companies and Groups (accounts and directors' report) Regulations 2008

Principal activities

The principal activity of the company is the running of a care home

Directors

The director who held office during the year was as follows

S D Cole

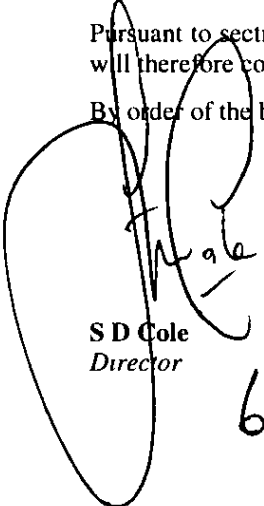
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirms that, so far as they are each aware, there is no relevant audit information of which the Company's auditor are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor are aware of that information

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board



S D Cole
Director

6/11/12

2 Carnatic Road,
Liverpool,
L18 8BZ

Statement of Director's Responsibilities in respect of the Director's Report and the Financial Statements

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (Effective April 2008) and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under company law the director 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 director are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director 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.



KPMG LLP

8 Princes Parade
Liverpool
L3 1QH
United Kingdom

Independent Auditor's Report to the Members of Fairhaven Care Home Limited

We have audited the financial statements of Fairhaven Care Home Limited for the year ended 31 March 2012 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards for Smaller Entities (Effective April 2008) (UK 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 the director and auditor

As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is 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 (APB'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 APB's web-site at www.frc.org.uk/apb/scope/private.cfm

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 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities, 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of Fairhaven Care Home 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 the director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the director was not entitled to prepare the financial statements and the Director's report in accordance with the small companies regime

M Jones.

H P Jones (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH

6 November 2012.

Profit and Loss Account
for the year ended 31 March 2012

	<i>Note</i>	2012 £	2011 £
Turnover	1	513,560	539,043
Cost of sales		(36,364)	(43,513)
Gross profit		477,196	495,530
Administrative expenses		(428,785)	(431,365)
Other operating income		3,278	6,120
Operating profit	2	51,689	70,285
Interest payable and similar charges	3	(536)	(1,052)
Profit on ordinary activities before taxation		51,153	69,233
Tax on profit on ordinary activities	4	(9,901)	(3,425)
Profit for the financial year		41,252	65,808

All amounts relate to continuing operations

There were no recognised gains and losses in either the current or prior year other than those included in the profit and loss account above. Therefore, no separate statement of total recognised gains and losses has been prepared

Balance Sheet at 31 March 2012

	Note	2012	2011
		£	£
Fixed assets			
Tangible assets	5	18,595	20,949
Current assets			
Debtors	6	100,468	116,187
Cash in hand		53,130	40,390
		<u>153,598</u>	<u>156,577</u>
Creditors, amounts falling due within one year	7	<u>(189,738)</u>	<u>(236,323)</u>
Net current liabilities		<u>(36,140)</u>	<u>(79,746)</u>
Net liabilities		<u>(17,545)</u>	<u>(58,797)</u>
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account		<u>(17,546)</u>	<u>(58,798)</u>
Shareholders' funds	9	<u>(17,545)</u>	<u>(58,797)</u>

These financial statements were approved by the board of directors on behalf by

and were signed on its

S D Cole
Director

6/11/12

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below

Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules, and in accordance with the SI 2008/409 Small Companies and Groups (accounts and directors' report) Regulations 2008

Cashflow

Under Financial Reporting Standard 1 (Revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a higher parent undertaking includes the company in its own published consolidated financial statements

Going Concern

The financial statements are prepared on a going concern basis which the director believes to be appropriate for the following reasons. The company and its related companies meet their day to day working capital requirements through a banking facility which is repayable over ten years and funding from the main shareholder who is also the director. On the basis of this banking facility and main shareholder, the director considers that the Company will continue to operate within the facility currently agreed, which he expects to continue and that the main shareholder will not require repayment of the amounts due. The financial statements do not include any adjustments that would result from a withdrawal of the banking facility by the Company's bankers or from the repayment of amounts owed to the main shareholder.

Turnover

Turnover represents amounts receivable for services provided during the year, excluding value added tax

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off costs less estimated residual value of each asset by equal instalments over its estimated useful economic life as follows,

Fixtures and fittings	25% on reducing balance
Motor vehicles	25% on reducing balance

Leases

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

2 Notes to the Profit and Loss Account

Profit on ordinary activities before taxation is stated after charging

	2012 £	2011 £
Depreciation- owned assets	5 803	7,398
Amounts received by the auditor and their associates in respect of		
Audit of these financial statements	2,970	2,400
Other services related to taxation	1,980	900

Notes (continued)

3 Interest payable

	2012 £	2011 £
Interest payable	536	1,052
	<u>536</u>	<u>1,052</u>

4 Taxation

Analysis of charge in period

	2012 £	2011 £
<i>UK Corporation Tax</i>		
Corporation Tax	10,879	3,425
Adjustments in respect of prior periods	(978)	(150)
	<u>9,901</u>	<u>3,425</u>
Total Current Tax	<u>9,901</u>	<u>3,425</u>

Factors affecting the tax charge for the current period

The UK corporation tax rate for small companies was reduced from 21% to 20% with effect from 1 April 2011. The standard rate of tax applied to the profit on ordinary activities before taxation is a rate of 20%. The current tax charge for the period is lower (2011: lower) than the standard rate of corporation tax in the UK during the year of 20% (2011: 21%). The differences are explained below.

	2012 £	2011 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	51,153	69,233
Current tax at 20% (2010: 21%)	<u>10,231</u>	<u>13,846</u>
<i>Effects of</i>		
Adjustments to tax charge in respect of previous periods	(978)	-
Expenses not deductible for tax purposes	648	-
Group relief	-	(10,421)
	<u>9,901</u>	<u>3,425</u>
Total current tax charge (see above)	<u>9,901</u>	<u>3,425</u>

As at 31 March 2012, there was unrecognised deferred tax asset of £558. This has not been recognised as it is not deemed material.

Notes (continued)

4 Taxation (continued)

Factors affecting the tax charge for future periods

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively.

5 Tangible fixed assets

	Fixtures and Fittings £	Motor Vehicles £	Total £
Cost			
At 1 April 2011	59,114	8,000	67,114
Additions	-	4,750	4,750
Disposals	(500)	(8,000)	(8,500)
At 31 March 2012	58,614	4,750	63,364
Depreciation			
At 1 April 2011	38,966	7,199	46,165
Disposals	-	(7,199)	(7,199)
Charge for year	4,912	891	5,803
At 31 March 2012	43,878	891	44,769
Net book value			
At 31 March 2012	14,736	3,859	18,595
At 31 March 2011	20,148	801	20,949

Notes (continued)

6 Debtors: Amounts falling due within one year

	2012 £	2011 £
Trade debtors	16,393	58,498
Directors loan account	-	13,000
Amounts owed by group undertakings	59,075	44,575
Prepayments	25,000	-
Other debtors	-	114
	<u>100,468</u>	<u>116,187</u>

7 Creditors: Amounts falling due within one year

	2012 £	2011 £
Trade creditors	4,005	11,312
Amounts due to group undertakings	164,124	206,755
Taxation and social security	12,681	7,227
Accruals and deferred income	8,928	11,029
	<u>189,738</u>	<u>236,323</u>

8 Called up share capital

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

9 Shareholders' Funds

	2012 £
At 1 April 2011	
Profit for the year	(58,797)
	<u>41,252</u>
At 31 March 2012	<u>(17,545)</u>

Notes (continued)

10 Operating lease

	2012 £	2011 £
Operating leases which expire		
With one year	-	1,045
Within one to two years	-	-
	-	1,045

11 Ultimate parent company

The ultimate parent company is Argyle Care Group Limited. Their accounts can be obtained from Companies House. The company is controlled by Argyle Care Group Limited.

The ultimate controlling party of the group is Mr S D Cole.

The company has taken advantage of the exemption under the rules of FRS 8 not to disclose related party transactions with fellow members of the group as 100% of the voting rights of the company were controlled during the period within the UK group headed by Argyle Care Group Limited.

12 Contingent liabilities

The Company is party to composite guarantees given to its bankers in respect of overdrafts granted to its parent company and fellow subsidiaries.