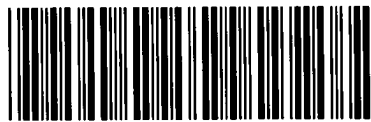


**STRATEGIC REPORT, DIRECTORS' REPORT AND
FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016
FOR
GATE HEALTHCARE LIMITED**

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FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016**

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GATE HEALTHCARE LIMITED
COMPANY INFORMATION
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016

DIRECTORS:

C E Rhodes
J G Walker

REGISTERED OFFICE:

Midholm
2 Hillview Drive
Clarkston
Glasgow
G76 7JD

REGISTERED NUMBER:

SC106549 (Scotland)

AUDITORS:

Consilium Audit Limited
169 West George Street
Glasgow
G2 2LB

**STRATEGIC REPORT
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016**

The directors present their strategic report for the period 1 April 2015 to 30 June 2016.

REVIEW OF BUSINESS

Gate Healthcare Limited owns and operates three care homes. The Company's strategy is to operate a portfolio of efficient and well run care homes, serving the needs of the growing ageing population.

KEY PERFORMANCE INDICATORS

Turnover has increased compared to the prior period from £3.98m to £5.15m. The Company is pleased to report an increased operating profit of £547k.

At the year end the Company had shareholders funds of £4.37m (2015: £4.05m) including distributable profits of £4.37m (2015: £1.29m). The directors therefore believe the Company's position to be satisfactory.

OUTLOOK

The Company's outlook is very positive, with all homes performing well and ongoing improvement projects underway to further enhance our services.

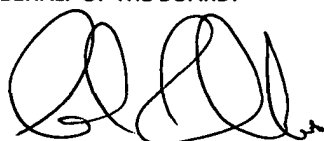
PRINCIPAL RISKS AND UNCERTAINTIES

The directors have assessed the main risk facing the Company as being the competition from other companies within the local market. The directors believe that the reputation of the Company and the quality of the service provided will mitigate this risk.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through its retained profits. Management's objective is to retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due.

ON BEHALF OF THE BOARD:



.....
C E Rhodes - Director

Date: 06/02/2017

**DIRECTORS' REPORT
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016**

The directors present their report with the financial statements of the Company for the period 1 April 2015 to 30 June 2016.

CHANGE OF OWNERSHIP & YEAR END

On 11 March 2016 the entire Company's share capital was acquired by Lorimer Care Homes Limited.

As a result of the change in ownership, the Company's year ended was extended from 31 March 2016 to 30 June 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company in the period under review was that of the provision of care home facilities for the elderly and disabled.

DIVIDENDS

Results and dividends

The profit for the year, after taxation, amounted to £442,633 (2015 - £243,905).

A dividend of £19,667 (2015 - £70,222) was paid during the period. The dividend was paid to the shareholders prior to the acquisition of the Company by Lorimer Care Homes Limited. The directors do not recommend a further dividend for the period.

DIRECTORS

The directors who have held office during the period from 1 April 2015 to the date of this report are as follows:

C E Rhodes - appointed 11 March 2016
J G Walker - appointed 11 March 2016
R R Williamson - resigned 11 March 2016
A C Mundell - resigned 11 March 2016

FINANCIAL INSTRUMENTS

The company's fixed assets continue to be financed by variable rate borrowings from the Royal Bank of Scotland. The company is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

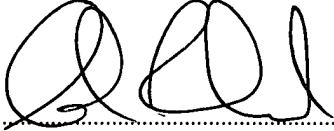
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

DIRECTORS' REPORT
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016

AUDITORS

The auditors, Consilium Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
C E Rhodes - Director

Date: 06/07/2017

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GATE HEALTHCARE LIMITED**

We have audited the financial statements of Gate Healthcare Limited for the period ended 30 June 2016 on pages six to fifteen. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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 set out on page three, 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 Strategic Report and the Directors' 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 30 June 2016 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 Strategic Report and the Directors' Report for the financial year 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.

Consilium Audit Limited

David Holt (Senior Statutory Auditor)
for and on behalf of Consilium Audit Limited
169 West George Street
Glasgow
G2 2LB

Date: 6/2/17

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016**

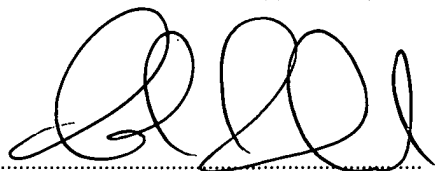
		Period 1/4/15 to 30/6/16 £	Year Ended 31/3/15 £
	Notes		
TURNOVER		5,144,994	3,975,757
Cost of sales		3,177,904	2,464,050
GROSS PROFIT		1,967,090	1,511,707
Administrative expenses		1,420,447	1,085,131
OPERATING PROFIT	4	546,643	426,576
Interest receivable and similar income		34	9
Interest payable and similar charges	5	(56,768)	(76,350)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		489,909	350,235
Tax on profit on ordinary activities	6	45,763	106,330
PROFIT FOR THE FINANCIAL PERIOD		444,146	243,905
OTHER COMPREHENSIVE INCOME			
Loss on revaluation		(105,512)	(797,476)
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX		(105,512)	(797,476)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		338,634	(553,571)

The notes form part of these financial statements

BALANCE SHEET
30 JUNE 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	8	-	8,000,000
CURRENT ASSETS			
Debtors	9	4,690,505	151,636
Cash at bank and in hand		132,810	292,173
		<u>4,823,315</u>	<u>443,809</u>
CREDITORS			
Amounts falling due within one year	10	<u>449,831</u>	<u>620,771</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>4,373,484</u>	<u>(176,962)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,373,484</u>	<u>7,823,038</u>
CREDITORS			
Amounts falling due after more than one year	11	-	(3,682,460)
PROVISIONS FOR LIABILITIES	14	-	(86,061)
NET ASSETS		<u><u>4,373,484</u></u>	<u><u>4,054,517</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	50	50
Revaluation reserve	16	-	2,764,817
Capital redemption reserve	16	55	55
Retained earnings	16	<u>4,373,379</u>	<u>1,289,595</u>
SHAREHOLDERS' FUNDS		<u><u>4,373,484</u></u>	<u><u>4,054,517</u></u>

The financial statements were approved by the Board of Directors on 06/02/2017 and were signed on its behalf by:



C E Rhodes - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 2014	50	1,057,066	3,621,139	55	4,678,310
Changes in equity					
Dividends	-	(70,222)	-	-	(70,222)
Total comprehensive income	-	302,751	(856,322)	-	(553,571)
Balance at 31 March 2015	50	1,289,595	2,764,817	55	4,054,517
Changes in equity					
Dividends	-	(19,667)	-	-	(19,667)
Total comprehensive income	-	444,146	(105,512)	-	338,634
Transfer on realisation	-	2,659,305	(2,659,305)	-	-
Balance at 30 June 2016	50	4,373,379	-	55	4,373,484

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016**

1. STATUTORY INFORMATION

Gate Healthcare Limited is a private company, limited by shares, registered in Scotland. The Company's registered number and registered office address can be found on the Company information page on Page 1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Information on the impact of first-time adoption of FRS 102 is given in note 21.

Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Judgements in applying accounting policies

Preparation of the financial statements requires management to make significant judgements and estimates. In preparing the financial statements the directors have made the following judgements:

- Determine whether leases entered into by the Company as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determine whether any bad debt provision is required via review of trade debtors, with debts provided for on a specific basis. Factors considered include customer payment history and agreed credit terms.

Turnover

The turnover shown in the profit and loss account represents the value of all services delivered at a selling price exclusive of Value Added Tax. Sales are recognised at the point at which the Company has fulfilled its contractual obligations.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% straight line
Plant and machinery	- 15% straight line

Tangible fixed assets are stated at cost or valuation less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Assets that have been revalued are subject to subsequent revaluations in the fifth year following the previous revaluation, or when there are indications of a significant change in the value of the revalued assets. The valuations are performed by a qualified external valuer and internally in the interim years. The basis of the valuation is open market value.

Revaluation surpluses are taken to the revaluation reserve. Deficits on revaluation are charged to the revaluation reserve up to the amount of the revaluation surplus. Any excess deficits are charged to the profit and loss account.

An amount of equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

On disposal of the property a transfer was made for the remaining surplus that has now been realised from the revaluation reserve to the profit and loss reserve. This is shown through the statement of changes in equity.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016

2. ACCOUNTING POLICIES - continued**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it 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 recognised have not been discounted.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Hire purchase and leasing commitments

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value, and are depreciated in accordance with the above depreciation policies.

Future instalments payable under such agreements, net of finance charges, are included within creditors. Rentals payable are apportioned between the capital element, which reduces the outstanding obligation included within creditors, and the finance element, which is charged to the profit and loss account on a straight line basis.

Pension costs and other post-retirement benefits

The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to the profit and loss account in the period to which they relate.

Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

3. STAFF COSTS

	Period 1/4/15 to 30/6/16 £	Year Ended 31/3/15 £
Wages and salaries	3,001,450	2,351,365
Social security costs	172,380	145,221
Other pension costs	11,202	5,776
	<u>3,185,032</u>	<u>2,502,362</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016

3. STAFF COSTS - continued

The average monthly number of employees during the period was as follows:

	Period 1/4/15 to 30/6/16	Year Ended 31/3/15
Administrative staff	9	4
Care staff	196	127
	<u>205</u>	<u>131</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	Period 1/4/15 to 30/6/16 £	Year Ended 31/3/15 £
Hire of plant and machinery	1,355	1,454
Other operating leases	157,352	50,977
Depreciation - owned assets	<u>217,205</u>	<u>193,538</u>
Directors' remuneration	219,359	223,103
Directors' pension contributions to money purchase schemes	<u>10,289</u>	<u>5,776</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	Period 1/4/15 to 30/6/16 £	Year Ended 31/3/15 £
Emoluments etc	<u>138,347</u>	<u>135,651</u>

The directors' remuneration paid during the period was paid to the directors prior to the acquisition of the Company by Lorimer Care Homes Limited on 11 March 2016.

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Period 1/4/15 to 30/6/16 £	Year Ended 31/3/15 £
Bank loan interest	<u>56,768</u>	<u>76,350</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016

6. TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the period was as follows:

	Period 1/4/15 to 30/6/16 £	Year Ended 31/3/15 £
Current tax:		
UK corporation tax	129,805	96,321
Underprovision of tax	2,019	188
Total current tax	131,824	96,509
Deferred tax	(86,061)	9,821
Tax on profit on ordinary activities	45,763	106,330

Reconciliation of total tax charge included in profit and loss

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1/4/15 to 30/6/16 £	Year Ended 31/3/15 £
Profit on ordinary activities before tax	489,909	350,235
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	97,982	73,549
Effects of:		
Expenses not deductible for tax purposes	110	214
Adjustments to tax charge in respect of previous periods	2,019	188
Marginal relief	-	(2,573)
Non taxable gain on property disposal	(86,061)	-
Depreciation on non qualifying assets	31,713	34,952
Total tax charge	45,763	106,330

Tax effects relating to effects of other comprehensive income

	1/4/15 to 30/6/16	
	Gross £	Tax £
Loss on revaluation	(105,512)	-
	(105,512)	-

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016

6. TAXATION - continued

	Gross £	2015 Tax £	Net £
Loss on revaluation	(797,476)	-	(797,476)
	<u>(797,476)</u>	<u>-</u>	<u>(797,476)</u>

7. DIVIDENDS

	Period 1/4/15 to 30/6/16 £	Year Ended 31/3/15 £
Ordinary shares of £1 each		
Final	<u>19,667</u>	<u>70,222</u>

The dividends relate to the period prior to the acquisition of the Company by Lorimer Care Homes Limited on 11 March 2016.

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
COST OR VALUATION			
At 1 April 2015	7,887,556	583,633	8,471,189
Additions	22,717	-	22,717
Disposals	(7,858,742)	(529,652)	(8,388,394)
Revaluations	(78,366)	(27,146)	(105,512)
Reclassification/transfer	26,835	(26,835)	-
	<u>-</u>	<u>-</u>	<u>-</u>
At 30 June 2016	-	-	-
DEPRECIATION			
At 1 April 2015	-	471,189	471,189
Charge for period	158,742	58,463	217,205
Eliminated on disposal	(158,742)	(529,652)	(688,394)
	<u>-</u>	<u>-</u>	<u>-</u>
At 30 June 2016	-	-	-
NET BOOK VALUE			
At 30 June 2016	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2015	<u>7,887,556</u>	<u>112,444</u>	<u>8,000,000</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	76,010	105,016
Amounts owed by group undertakings	4,396,671	-
Other debtors	-	10,183
Prepayments and accrued income	217,824	36,437
	<u>4,690,505</u>	<u>151,636</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Bank loans and overdrafts (see note 12)	-	298,455
Trade creditors	70,651	82,517
Tax	129,805	96,312
Social security and other taxes	25,899	45,035
Other creditors	83,165	62,691
Accruals and deferred income	140,311	35,761
	<u>449,831</u>	<u>620,771</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Bank loans (see note 12)	<u>-</u>	<u>3,682,460</u>

12. LOANS

An analysis of the maturity of loans is given below:

	2016	2015
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>-</u>	<u>298,455</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>-</u>	<u>3,682,460</u>

13. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016	2015
	£	£
Within one year	464,072	16,714
Between one and five years	1,807,161	23,979
In more than five years	2,113,750	-
	<u>4,384,983</u>	<u>40,693</u>

14. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax		
Accelerated capital allowances	<u>-</u>	<u>86,061</u>
		Deferred tax
		£
Balance at 1 April 2015		86,061
Credit to Statement of Comprehensive Income during period		<u>(86,061)</u>
Balance at 30 June 2016		<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2015 TO 30 JUNE 2016

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
50	Ordinary	£1	<u>50</u>	<u>50</u>

16. RESERVES

	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 April 2015	1,289,595	2,764,817	55	4,054,467
Profit for the period	444,146	-	-	444,146
Dividends	(19,667)	-	-	(19,667)
Revaluation in year	-	(105,512)	-	(105,512)
Transfer on realisation	2,659,305	(2,659,305)	-	-
At 30 June 2016	<u>4,373,379</u>	<u>-</u>	<u>55</u>	<u>4,373,434</u>

17. ULTIMATE PARENT COMPANY

The Company was under the control of R R Williamson from 1 April 2015 to 11 March 2016 and from then Lorimer Care Home Limited is regarded by the directors as being the Company's ultimate parent company.

18. CONTINGENT LIABILITIES

The Company has a cross company guarantee arrangement with the other group and related companies under which the Company guarantees the obligations of the others to the groups bankers. As at the balance sheet date other group company obligations amounted to £11,800,000.

19. RELATED PARTY DISCLOSURES

During the period to 11 March 2016 when the Company was acquired, total dividends of £19,667 were paid to the directors.

The Company has taken advantage of the exemption available under Financial Reporting Standard 102 not to disclose related party transactions with the ultimate parent company or with any wholly owned subsidiaries within the group.

20. ULTIMATE CONTROLLING PARTY

The Company was under the control of R R Williamson from 1 April 2015 to 11 March 2016 and from then was under the control of the shareholders of the ultimate parent company. There is no individual with a controlling interest in the ultimate parent company.

21. FIRST YEAR ADOPTION

The policies applied under the Company's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss. The transition date for FRS 102 reporting is 1 April 2014.