Registered number: SC210217

Kingdom Care (Hillview Court) Limited

Directors' Report and Financial Statements

for the Year Ended 31 March 2012



Kingdom Care (Hillview Court) Limited

Company Information

DIRECTORS	P A K Jeffery N B Schofield P M Hill
COMPANY SECRETARY	N B Schofield
COMPANY NUMBER	SC210217
REGISTERED OFFICE	2 Gannel Hill View Fishcross Alloa Clackmannanshire FK10 3GN
AUDITOR	Deloitte LLP Chartered Accountants & Statutory Auditor Cambridge England

Kingdom Care (Hillview Court) Limited

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Kingdom Care (Hillview Court) Limited

Directors' report
for the year ended 31 March 2012

The directors present their report and the financial statements for the year ended 31 March 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 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 judgments and 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.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of the provision of care home services.

BUSINESS REVIEW

The results for the year and financial position of the company are as shown in the financial statements.

The directors enacted a reorganisation of the Group headed by the ultimate parent undertaking during the current year, of which the company is a component in order to rationalise ownership of trading divisions.

DIVIDENDS

A dividend of £1,060,734 has been paid during the financial year (2011: £nil).

DIRECTORS

The directors who served throughout the year and to the date of this report were:

P A K Jeffery
N B Schofield
P M Hill

Directors' report
for the year ended 31 March 2012

PRINCIPAL RISKS AND UNCERTAINTIES

Financial risk management objectives and policies
The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the company's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The company does not use derivative financial instruments for speculative purposes.

Cash flow risk
The company's activities expose it primarily to the financial risks of changes in interest rates.

Where possible, interest bearing assets and liabilities are held at fixed rates in order to ensure certainty of cash flows.

Credit risk
The company's principal financial assets are bank balances and cash, intercompany debtors and trade debtors.

The company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debts. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk
In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company primarily relies on intercompany financing. Such financing is provided as required.

GOING CONCERN
On 30 September 2011, the company's trade and assets were transferred to Caring Homes Healthcare Group Limited, a fellow subsidiary of Myriad Healthcare Limited, the ultimate holding company. As required by FRS 18 'Accounting Policies', the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

PROVISION OF INFORMATION TO AUDITOR

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

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

  This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Directors' report
for the year ended 31 March 2012

AUDITOR

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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

This report was approved by the board on 17 September 2012 and signed on its behalf.

P M Hill
Director

Independent auditor's report to the shareholders of Kingdom Care (Hillview Court) Limited

We have audited the financial statements of Kingdom Care (Hillview Court) Limited for the year ended 31 March 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor
As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the 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 company's affairs as at 31 March 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

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 auditor's report to the shareholders of Kingdom Care (Hillview Court) 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime or take advantage of the small companies' exemption in preparing the Directors' report.



Stuart Henderson FCA (Senior statutory auditor)

for and on behalf of
Deloitte LLP

Chartered Accountants & Statutory Auditor

Cambridge
England

17 September 2012

Kingdom Care (Hillview Court) Limited

Profit and Loss Account
for the Year Ended 31 March 2012

	Note	2012 £	*2011 £*
Turnover	1	918,747	*1,849,092*
Cost of sales		(701,043)	*(1,420,313)*
Gross Profit		217,704	*428,779*
Administrative expenses		(84,769)	*(376,203)*
Other operating income		-	*97*
Operating Profit	2	132,935	*52,673*
Interest payable and similar charges	3	-	*(80,000)*
Profit/(Loss) on Ordinary Activities Before Taxation		132,935	*(27,327)*
Tax on profit/(loss) on ordinary activities	4	-	*22,181*
Profit/(Loss) For The Financial Year	11	132,935	*(5,146)*

The notes on pages 9 to 15 form part of these financial statements.

Kingdom Care (Hillview Court) Limited

Statement of Total Recognised Gains and Losses for the Year Ended 31 March 2011

	2012 £	*2011 £*
Profit/(Loss) for the Financial Year	132,935	*(5,146)*
Deficit on revaluation of tangible fixed assets	-	*(327,726)*
Total Recognised Gains and Losses Relating to the Year	132,935	*(332,872)*

The notes on pages 9 to 15 form part of these financial statements.

Kingdom Care (Hillview Court) Limited
Registered number: SC210217

Balance Sheet
as at 31 March 2012

	Note	£	2012 £	£	*2011* £
Fixed Assets					
Tangible assets	6		-		*2,840,000*
Current Assets					
Debtors	7	1		*269,094*	
Cash at bank and in hand		-		*10,021*	
		1		*279,115*	
Creditors: amounts falling due within one year	8	-		*(2,063,831)*	
Net Current Liabilities			1		*(1,784,716)*
Total Assets Less Current Liabilities			1		*1,055,284*
Provisions for Liabilities					
Deferred tax	9		-		*(127,484)*
Net Assets			1		*927,800*
Capital & Reserves					
Called up share capital	10		1		*1*
Revaluation reserve	11		-		*533,187*
Profit and loss account	11		-		*394,612*
Shareholders' Funds			1		*927,800*

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 September 2012.

P M Hill
Director

The notes on pages 9 to 15 form part of these financial statements.

Notes to the financial statements
for the year ended 31 March 2012

1. ACCOUNTING POLICIES

1.1 Basis of acounting and preparation of the financial statements

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year,

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the special provisions applicable to companies subject to the small companies regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

Turnover represents sales and services to third party customers in the health and social care sector, stated net of any applicable value added tax. Revenue is recognised when the services are provided, with any fees invoiced in advance included within deferred income until the service is completed.

All turnover is attributable to the UK and to the Company's principal activity.

1.4 Tangible fixed assets and depreciation

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

Fully Operational Trading Unit	-	3% per annum
Motor vehicles	-	25% per annum

1.5 Revaluation of tangible fixed assets

Individual fully operational trading units are revalued every year with the surplus or deficit on book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. A deficit which represents a clear consumption of economic benefits is charged to the profit and loss account regardless of any such previous surplus.

Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the profit and loss account as a movement on reserves. On the disposal or recognition of a provision for impairment of a revalued fixed asset, any related balance remaining in the revaluation reserve is also transferred to the profit and loss account as a movement on reserves.

Notes to the financial statements
for the year ended 31 March 2012

1. ACCOUNTING POLICIES (continued)

1.6 Taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.7 Going Concern

On 30 September 2011, the company's trade and assets were transferred to Caring Homes Healthcare Group Limited, a fellow subsidiary of Myriad Healthcare Limited, the ultimate holding company. As required by FRS 18 'Accounting Policies', the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

1.8 Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1.9 Group reorganisation

The trade and assets of the company were transferred within the Group at book value, which the directors have determined to be equal to the fair value of the assets and liabilities transferred on 30 September 2011.

Notes to the financial statements
for the year ended 31 March 2012

2. OPERATING PROFIT

The operating profit is stated after charging:

	2012 £	*2011 £*
Depreciation of tangible fixed assets:		
- owned by the company	-	*86,103*
Auditor's remuneration	-	*2,000*

During the year, no director received any emoluments *(2011 - £NIL).*

Depreciation was charged during the year by the entity receiving the transferred assets.

Directors' emoluments are paid by Myriad Healthcare Limited the ultimate parent company.

Auditor's remuneration has been borne by the parent company Caring Homes Healthcare Group Limited.

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2012 £	*2011 £*
Interest charged on intercompany loans	-	*80,000*

4. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	2012 £	*2011 £*
Analysis of tax credit in the year at 26.5% (2011: 28%)		
Deferred tax (see note 9)	-	*(22,181)*
Tax on profit/loss on ordinary activities	-	*(22,181)*

Analysis of the tax charge

No liability to corporation tax arose on ordinary activities for the year ended 31 March 2012 nor the year ended 31 March 2011.

4. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2011 - lower than)* the standard rate of corporation tax in the UK of 26% *(2011 - 28%)*. The differences are explained below:

	2012 £	*2011* £
Profit/loss on ordinary activities before tax	132,935	*(27,327)*
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% *(2011 - 28%)*	34,563	*(7,652)*
Effects of:		
Depreciaiton on assets not eligible for capital allowances	-	*(11,108)*
Capital allowances in excess/(deficit) of depreciation	-	*(12,375)*
Group relief	(34,563)	*31,135*
Current tax charge for the year (see note above)	-	-

5. DIVIDENDS

	2012 £	*2011* £
Dividends paid on equity capital	1,060,734	-

Notes to the financial statements
for the year ended 31 March 2012

6. TANGIBLE FIXED ASSETS

	Fully Operational Trading Units £	Motor vehicles £	Total £
Cost or valuation			
At 1 April 2011	2,840,000	10,894	2,850,894
Additions	6,499	-	6,499
Transfers intra group	(2,846,499)	(10,894)	(2,857,393)
At 31 March 2012	-	-	-
Depreciation			
At 1 April 2011	-	10,894	10,894
Transfers intra group	-	(10,894)	(10,894)
At 31 March 2012	-	-	-
Net book value			
At 31 March 2012	-	-	-
At 31 March 2011	*2,840,000*	-	*2,840,000*

7. DEBTORS

	2012 £	*2011 £*
Due within one year		
Trade debtors	-	*13,958*
Amounts owed by group undertakings	1	*247,274*
Other debtors	-	*7,508*
Prepayments and accrued income	-	*354*
	1	*269,094*

8. CREDITORS:
Amounts falling due within one year

	2012 £	*2011 £*
Amounts owed to group undertakings	-	*1,998,253*
Other creditors	-	*275*
Accruals and deferred income	-	*65,303*
	-	*2,063,831*

Notes to the financial statements
for the year ended 31 March 2012

9. DEFERRED TAXATION

	2012 £	*2011 £*
At beginning of year	127,484	*149,665*
Credit to profit and loss account	-	*(22,181)*
Crystallisation of deferred tax asset on restructure	(127,484)	-
At end of year	-	*127,484*

The provision for deferred taxation is made up as follows:

	2012 £	*2011 £*
Accelerated capital allowances	-	*127,484*

10. CALLED UP SHARE CAPITAL

	2012 £	*2011 £*
Allotted, called up and fully paid		
1 Ordinary share of £1	1	*1*

11. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 April 2011	533,187	394,612
Profit for the year	-	132,935
Dividends: Equity capital	-	(1,060,734)
Crystallisation of revaluation reserve	(533,187)	533,187
At 31 March 2012	-	-

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent company is Caring Homes Healthcare Group Limited, by virtue of its 100% shareholding and its ultimate parent company Myriad Healthcare Limited which is registered in England and Wales.

The ultimate controlling party is P A K Jeffery, a director of the company and of the ultimate parent company.

The largest and smallest group of undertakings for which consolidated accounts will be drawn up is that headed by Myriad Healthcare Limited.

Notes to the financial statements
for the year ended 31 March 2012

13. CONTINGENT LIABILITIES

The company had the following contingent liabilities at 31 March 2012:

Cross - guarantees to secure the bank borrowings of Myriad Healthcare Limited, which at 31 March 2012 amounted to £377m (2011: £361m).

14. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Myriad Healthcare Limited the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by Myriad Healthcare Limited on the grounds that consolidated accounts are publicly available from Companies House.