

Registered Number SC281176

Morar Properties Limited
Annual report and financial statements
for the year ended 31 July 2012

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Morar Properties Limited

Annual report and financial statements for the year ended 31 July 2012

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Morar Properties Limited

Director and advisers for the year ended 31 July 2012

Director

S Lakhani

Company secretary

I Lakhani

Registered Office

C/O DLA Piper Rudnick Gray Cary Scotland LLP

Rutland Square

Edinburgh

EH1 2AA

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Benson House

33 Wellington Street

Leeds

LS1 4JP

Solicitors

DLA Piper Scotland LLP

Collins House

Rutland Square

Edinburgh

EH1 2AA

Morar Properties Limited

Director's report for the year ended 31 July 2012

The director presents his annual report and the financial statements for the year ended 31 July 2012.

Principal activities

The company is intending to construct a nursing home.

Business review

The director is currently seeking development funding to initiate the construction of a nursing home on this site.

Key performance indicators

Given the straightforward nature of the business, the director is of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Results

The loss for the financial year amounted to £33,537 (2011: £25,442). The director is unable to recommend that a dividend be paid in respect of the year (2011: £nil).

Director

The director who held office during the year and up to the date of signing the financial statements is given below:

S Lakhani

Small companies exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Statement of director's responsibilities

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 the director has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 is 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 company will continue in business.

The director is 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. He is 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.

Morar Properties Limited

Director's report for the year ended 31 July 2012 (continued)

Disclosures of information to auditors

So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. The director has taken all the steps that he ought to have taken as 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.

Independent auditors

The auditors, PricewaterhouseCoopers LLP indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

This report was approved by the board on 19 April 2013 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'S. Lakhani', written over a horizontal line.

S Lakhani
Director

Independent auditors' report to the members of Morar Properties Limited

We have audited the financial statements of Morar Properties Limited for the year ended 31 July 2012 which comprise the Profit and loss account, the Balance sheet, the Accounting policies and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Director's Responsibilities 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2012 and of its loss 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Morar Properties 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



Arif Ahmad (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
19 April 2013

Morar Properties Limited

Profit and loss account for the year ended 31 July 2012

	Note	2012 £	2011 £
Administrative expenses		(9,055)	(3,521)
Operating loss	1	(9,055)	(3,521)
Interest payable and similar charges	2	(24,482)	(21,921)
Loss on ordinary activities before taxation		(33,537)	(25,442)
Tax on loss on ordinary activities	3	-	-
Loss for the financial year	7, 8	(33,537)	(25,442)

All amounts relate to continuing operations.

There are no material differences between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical equivalents.

The company has no recognised gains and losses and therefore no separate statement of total recognised gains and losses has been presented.

Morar Properties Limited

Balance sheet as at 31 July 2012

	Note	2012 £	2011 £
Fixed assets			
Tangible assets	4	3,200,000	3,200,000
Creditors - amounts falling due within one year	5	(2,963,147)	(2,929,610)
Net current liabilities		(2,963,147)	(2,929,610)
Total assets less current liabilities		236,853	270,390
Net assets		236,853	270,390
Capital and reserves			
Called up share capital	6	100	100
Revaluation reserve	7	349,138	349,138
Profit and loss account	7	(112,385)	(78,848)
Total shareholders' funds	8	236,853	270,390

The financial statements on pages 6 to 12 were approved by the board of directors on 19 April 2013 and were signed on its behalf by:



S Lakhani
Director

Registered number SC281176

Morar Properties Limited

Accounting policies for the year ended 31 July 2012

Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis under the historical cost convention except for the revaluation land and buildings and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards. The principal accounting policies are set out below and applied consistently.

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 (Revised 1996).

Tangible assets and depreciation

Tangible assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives.

Land and buildings represent freehold land, therefore have not been depreciated.

Revaluation of tangible assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any intervening year where the directors consider that a trigger event has occurred.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the profit and loss account.

Deferred 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.

Deferred tax assets and liabilities are not discounted.

Morar Properties Limited

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

1 Operating loss

The company has no employees other than the directors, who did not receive any remuneration in respect of his services to the company (2011: £nil).

Auditor's remuneration was borne by another group company.

2 Interest payable and similar charges

	2012	2011
	£	£
On bank loans and overdrafts	24,482	21,921

3 Tax on loss on ordinary activities

	2012	2011
	£	£
Current tax		
UK corporation tax on loss of the year	-	-

The tax assessed for the year is higher (2011: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	2012	2011
	£	£
Loss on ordinary activities before taxation	(33,537)	(25,442)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2011: 20.67 %)	(6,707)	(5,259)
Effects of:		
Group relief claimed	6,707	5,259
Current tax charge for the year	-	-

Morar Properties Limited

Notes to the financial statements for the year ended 31 July 2012 (continued)

4 Tangible assets

	Land and buildings £
Cost	
At 1 August 2011 and 31 July 2012	3,200,000
Accumulated depreciation	
At 1 August 2011 and 31 July 2012	-
Net book amount	
At 31 July 2012	3,200,000
At 1 August 2011	3,200,000

Land and buildings represent freehold land, therefore have not been depreciated.

The land and buildings were revalued on 5 April 2012 by Colliers International Property Consultants Limited on an open market existing use basis, in accordance with RICS Appraisal and Valuation Manual.

5 Creditors – Amounts falling due within one year

	2012 £	2011 £
Bank overdraft	49,653	17,538
Bank loan	603,685	603,685
Amounts owed to group undertakings	2,307,789	2,307,789
Accruals	2,020	598
	2,963,147	2,929,610

The bank loan and overdraft is secured over the subsidiary company's property and by cross guarantees with other group companies. The loan is charged at 3% above the Libor rate per annum.

Amounts owed to group undertakings are unsecured, repayable on demand and interest-free.

Morar Properties Limited

Notes to the financial statements for the year ended 31 July 2012 (continued)

6 Called up share capital

	2012 £	2011 £
Authorised		
1,000 (2011: 1,000) ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
100 (2011: 100) ordinary shares of £1 each	100	100

7 Reserves

	Revaluation reserve £	Profit and loss account £
At 1 August 2011	349,138	(78,848)
Loss for the financial year	-	(33,537)
At 31 July 2012	349,138	(112,385)

8 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Opening total shareholders' funds/(deficit)	270,390	(53,306)
Loss for the financial year	(33,537)	(25,442)
Revaluation	-	349,138
Closing total shareholders' funds	236,853	270,390

Morar Properties Limited

Notes to the financial statements for the year ended 31 July 2012 (continued)

9 Contingent liabilities

The company has guaranteed loans taken out by certain other group companies.

10 Related party transactions

Auditors' remuneration was borne by another group company.

Details of the company's balances with group undertakings are provided in Note 5.

11 Ultimate parent undertaking and controlling party

The company's immediate and ultimate parent undertaking is The Holmes Care (Group) Limited, a company incorporated in England and Wales. Consolidated financial statements for this company are available from Companies House.

The Holmes Care (Group) Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements.

The company is controlled by S Lakhani, the company's director.