

Registered Number SC281177

Aviemore Homes Limited

Annual report and financial statements

for the year ended 31 July 2011

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Aviemore Homes Limited

Annual report and financial statements for the year ended 31 July 2011

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Aviemore Homes Limited

Director and advisers for the year ended 31 July 2011

Director

S Lakhani

Company secretary

I Lakhani

Registered Office

C/O DLA Piper Scotland LLP

Collins House

Rutland Square

Edinburgh

EH1 2AA

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Benson House

33 Wellington Street

Leeds

LS1 4JP

Bankers

Royal Bank of Scotland

26 St Andrews Square

Edinburgh

EH2 2YB

Solicitors

DLA Piper Scotland LLP

Collins House

Rutland Square

Edinburgh

EH1 2AA

Aviemore Homes Limited

Director's report for the year ended 31 July 2011

The director presents his annual report and the financial statements for the year ended 31 July 2011.

Principal activities

The company's principal activity is the operation of a nursing home.

Business review

The company has had a significant improvement on the result for the year in comparison to the previous year and is currently experiencing full occupancy with a sizeable number on the waiting list.

The director is confident of continued profitability for the home.

Results and dividends

During the year, the nursing home continued to fill up with residents and this is reflected in the turnaround of the results for the year in comparison to the previous year. The company made a profit for the financial year, amounting to £393,926 (2010: £9,396). The directors are unable to recommend that dividends be paid in respect of the year (2010: £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

Aviemore Homes Limited

Director's report for the year ended 31 July 2011 (continued)

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 have 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; and
- 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 him 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.

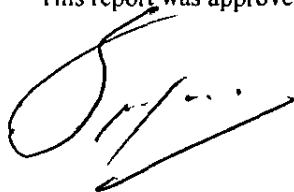
Disclosures of information to auditors

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 20th April 2012 and signed on its behalf.



S Lakhani
Director

Independent auditors' report to the members of Aviemore Homes Limited

We have audited the financial statements of Aviemore Homes Limited for the year ended 31 July 2011 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 Directors' Responsibilities Statement set out on page 3 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.

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 2011 and of its 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

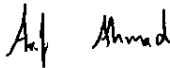
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Aviemore Homes 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Arif Ahmad (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
20 April 2012

Aviemore Homes Limited

Profit and loss account for the year ended 31 July 2011

	Note	2011 £	2010 £
Turnover		2,340,642	1,473,008
Cost of sales		(1,462,045)	(923,671)
Gross profit		878,597	549,337
Administrative expenses		(341,634)	(338,797)
Operating profit	1	536,963	210,540
Interest payable	3	(163,055)	(168,586)
Profit on ordinary activities before taxation		373,908	41,954
Tax on profit on ordinary activities	4	20,018	(32,558)
Profit for the financial year	11	393,926	9,396

All amounts relate to continuing operations.

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

The company has no recognised gains and losses for 2011 or 2010 and therefore no separate statement of total recognised gains and losses has been presented.

Aviemore Homes Limited

Balance sheet as at 31 July 2011

	Note	2011 £	2010 £
Fixed assets			
Tangible fixed assets	5	7,305,686	7,438,158
		7,305,686	7,438,158
Current assets			
Debtors	6	1,508,824	1,258,838
Cash at bank		31,443	97,663
		1,540,267	1,356,501
Creditors - amounts falling due within one year	7	(3,037,719)	(3,380,351)
Net current liabilities		(1,497,452)	(2,023,850)
Total assets less current liabilities		5,808,234	5,414,308
Creditors - amounts falling due after more than one year	8	(4,490,410)	(4,490,410)
Net assets		1,317,824	923,898
Capital and reserves			
Called up share capital	10	100	100
Revaluation reserve	11	1,433,284	1,433,284
Profit and loss account	11	(115,560)	(509,486)
Total shareholders' funds	12	1,317,824	923,898

The financial statements on pages 6 to 14 were approved by the board on 20th April 2012 and were signed on its behalf by:



S Lakhani
Director

Registered Number SC281177

Aviemore Homes Limited

Accounting policies

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 of 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.

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.

Tangible fixed assets and depreciation

Tangible fixed 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 on the following bases:

Freehold property - 2% straight line
Plant & machinery - 20% reducing balance
Furniture, fittings and equipment - 20% reducing balance

No depreciation has been charged for the land and building.

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.

Aviemore Homes Limited

Notes to the financial statements for the year ended 31 July 2011

1 Operating profit

All turnover arises from the principal activity in the United Kingdom.

During the year, no director received any emoluments (2010: £nil). Auditors' remuneration was £5,000 (2010: £5,000).

2 Staff costs

Staff costs were as follows:

	2011 £	2010 £
Wages and salaries	1,296,634	813,649,
Social security costs	87,961	63,076
	1,384,595	876,725

The average monthly number of employees during the year was 84 (2010: 62)

3 Interest payable

	2011 £	2010 £
On bank loans and overdrafts	163,055	168,586

4 Taxation

	2011 £	2010 £
Deferred tax		
Origination and reversal of timing differences	(20,018)	31,071
Changes in tax rates or law	-	1,487
Total deferred tax	(20,018)	32,558
Tax on profit on ordinary activities	(20,018)	32,558

Aviemore Homes Limited

Notes to the financial statements for the year ended 31 July 2011 (continued)

4 Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is based on the standard rate of corporation in the UK. The differences are explained below:

	2011	2010
	£	£
Profit on ordinary activities before tax	373,908	41,954
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.67% (2010: 21%)	74,782	8,810
Effects of:		
Expenses not deductible for tax purposes	-	23,814
Capital allowances for year in excess of depreciation	25,807	1,900
Other timing differences	-	(34,524)
Utilisation of losses	(5,780)	-
Group relief claimed	(94,809)	-
Current tax charge for the year	-	-

Aviemore Homes Limited

Notes to the financial statements for the year ended 31 July 2011 (continued)

5 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Furniture, fittings and equipment £	Total £
Cost or valuation				
At 1 August 2010	7,550,000	19,059	160,453	7,729,512
Addition	-	-	4,899	4,899
At 31 Jul 2011	7,550,000	19,059	165,352	7,734,411
Accumulated depreciation				
At 1 August 2010	226,800	6,861	57,693	291,354
Charge for the year	113,400	2,440	21,531	137,371
At 31 Jul 2011	340,200	9,301	79,224	428,725
Net book value				
At 31 July 2011	7,209,800	9,758	86,128	7,305,686
At 1 August 2010	7,323,200	12,198	102,760	7,438,158

The land and buildings were revalued on 6 April 2009 by Alan Bennett RICS of Savills Commercial Limited on an open market existing use basis.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2011 £	2010 £
Cost	6,116,000	6,116,000
Accumulated depreciation	(340,200)	(226,800)
Net book value	5,775,800	5,889,200

Aviemore Homes Limited

Notes to the financial statements for the year ended 31 July 2011 (continued)

6 Debtors

	2011	2010
	£	£
Trade debtors	107,337	132,678
Amounts owed by group undertakings	1,322,058	1,110,744
Prepayments and accrued income	60,741	15,416
Deferred tax asset (see note 9)	18,688	-
	1,508,824	1,258,838

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

7 Creditors – Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	30,714	36,001
Amounts owed to group undertakings	2,885,558	3,122,408
Other creditors	136	100
Tax and social security	24,859	21,128
Accruals and deferred income	96,452	199,384
Deferred tax	-	1,330
	3,037,719	3,380,351

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

Aviemore Homes Limited

Notes to the financial statements for the year ended 31 July 2011 (continued)

8 Creditors – Amounts falling due after more than one year

	2011 £	2010 £
Bank loans	4,490,410	4,490,410

The bank loan is secured on the company's freehold land and buildings by way of a fixed and floating charge together with security over other group assets. Interest is payable at 3.45% above the Royal Bank of Scotland's base rate.

9 Deferred taxation

	2011 £	2010 £
At beginning of year	1,330	(31,228)
(Credited)/charged during year	(20,018)	32,558
At end of year	(18,688)	1,330

The deferred taxation balance is made up as follows:

	2011 £	2010 £
Accelerated capital allowances	(18,688)	7,327
Tax losses carried forward	-	(5,997)
	(18,688)	1,330

10 Share capital

	2011 £	2010 £
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

Aviemore Homes Limited

Notes to the financial statements for the year ended 31 July 2011 (continued)

11 Reserves

	Revaluation reserve	Profit and loss account
	£	£
At 1 August 2010	1,433,284	(509,486)
Profit for the financial year	-	393,926
At 31 July 2011	1,433,284	(115,560)

12 Reconciliation of movement in total shareholders' funds

	2011	2010
	£	£
Opening total shareholders' funds	923,898	914,502
Profit for the financial year	393,926	9,396
Closing total shareholders' funds	1,317,824	923,898

13 Contingent liabilities

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

14 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related Party Disclosures' not to disclose transactions with members of its group on the grounds that at least 90% of the voting rights in the company are controlled within the group.

15 Ultimate parent undertaking and controlling party

The company's immediate and ultimate parent undertaking is The Holmes Care (Group) Limited, incorporated in England and Wales.

The ultimate controlling party is S Lakhani, the company's director.