

Registration number 06182736

Agincare Group Limited

Directors' Report and Consolidated Financial
Statements

for the Period from 30 July 2011 to 27 July 2012



Agincare Group Limited
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Agincare Group Limited
Company Information

Directors Mr D E Luckhurst
Mrs R M Taylor-Summerson

Registered office Pike House
1 Tnnity Street
Weymouth
Dorset
DT4 8TW

Bankers Barclays Bank Plc
Weymouth
2 St Mary Street
Weymouth
Dorset
DT4 8PB

Auditors Inspire Audit Ltd
37 Commercial Road
Poole
Dorset
BH14 0HU

Agincare Group Limited

Directors' Report for the Period from 30 July 2011 to 27 July 2012

The directors present their report and the consolidated financial statements for the period from 30 July 2011 to 27 July 2012

Principal activity

Agincare Group Limited is the parent company of all subsidiaries in the Agincare Group Agincare Limited, Agincare UK Limited, Agincare Live In Care Services Limited, Agincare Cuisine Limited, Agincare UK Leominster Limited, Agin Care Homes Limited and Agincare Extra Care Services Limited The company recharges head office staff costs between the subsidiary companies and performs other associated activities

Directors of the company

The directors who held office during the period were as follows

Mr D E Luckhurst

Mrs R M Taylor-Summerson (appointed 1 August 2011)

Mr S Overgagge (appointed 1 March 2012 and resigned 30 September 2012)

Business review

Overall, the Agincare group saw a disappointing drop in turnover of 9% from 2010/11, However, this reduction was solely attributed to the core home care business of Agincare UK and the impact of continued public sector funding and commissioning cuts Agincare Cuisine Ltd and Agincare Live-in Care Services both showed growth in turnover by 0.3% and 20% respectively

Gross Margin held well across the business and Net Profit before taxation in Agincare UK and Agincare Live-in Care Services increased from the previous year

The business planning and risk assessment of the sector meant that the business had clear parameters within which to operate to ensure short term profits and longer term future sustainability The market position led the Board to consider risk and growth in the context of these and to consolidate its position in respect of home care services where contract volume and/or charge rate did not offer enough return

Overheads were reviewed in respect of adaptations made to business growth plans There were changes to head office functions and operational span to further streamline service provision and produce the efficiencies required by the business and the wider market Reduced charge rates and increasing staff costs impacted on margins as anticipated

The ongoing strategy of achieving increased national presence remained an underpinning goal, but with reduced appetite for risk in respect of new market penetration Plans to optimise service delivery volume and variety from all existing bases continued

Existing contracts which came to an end were largely retained, though with very different contracts and trading conditions Compliance and operational stability improved after a period of some disruption caused by market conditions This provided a base from which a more effective and efficient increase in business could be pursued by the close of the year

Increased focus on live-in care service, extra care and complex care strategies took place, as well as on the related care home group

The Board constantly reviewed and moderated operations to adapt to the changing market conditions and to protect the business

Agincare Group Limited

Directors' Report for the Period from 30 July 2011 to 27 July 2012

continued

Results and dividend

The results for the group are set out in the financial statements

Turnover this year decreased from £24,645,760 to £22,709,882, a decrease of £1,935,878. The profit for the year, before taxation, increased from £901,894 to £1,018,149, an increase of £116,255.

An interim ordinary dividend of £10,000 was paid during the period.

Position of the business

At the end of the period, the net assets totalled £3,444,915, up from last year's total of £2,725,198.

Financial risk

Price risk, credit risk, liquidity risk and cash flow risk

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors, loans to the business and finance lease agreements. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise loans from the directors. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

The business is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments.

Principal risks and uncertainties

The Group continues to trade in areas of growth, both in terms of demographics and growing markets, but within an increasingly competitive sector and with constant demands of rising costs, diminishing rates from local authority, less secure contractual terms and a more dispersed customer base.

The scale of private equity backed operators in terms of market share and risk, is being watched with interest by the Board, as is the resurgence of numbers of smaller Providers, often via franchise models.

Constant attention remains on debtor control, ICT systems, charge rates, costing models and pay rates/general staffing issues. Adapting to changing market conditions yet retaining the 'heart and soul' benefits, of what is essentially a family owned business, remains key.

There will be continued focus on longer term viability and sustainability of business in parallel to our planned ambitious growth and development of service provision. We remain confident in our market knowledge and ability, which has always enabled us to move quickly to consolidate and adapt existing service provision where necessary, whilst still seeking new opportunities.

Agincare Group Limited

Directors' Report for the Period from 30 July 2011 to 27 July 2012

continued

Future developments

The Agincare group will continue with its strategy of geographical and service growth. However, this will continue to be subject to the viability and profitability of all work undertaken.

We will continue to identify and pursue, where considered appropriate, opportunities that present themselves in the sector as a result of demographics, social and health care contracts and the impact of current conditions on less stable operations. Further diversification of service provision and partnerships with others will also be pursued.

Our scope and range of service provision, not only across Agincare group, but in related companies, leads us to remain very confident about our future business despite the unprecedented demographic, economic and social challenges which continue to impact.

Employee involvement

The Group's policy is to consult and discuss with employees (through formal and informal meetings, regular contact and Group publications) matters likely to affect employees' interests. Information on matters of interest and possible concern to employees is given through bulletins which seek to achieve common awareness on the part of all employees of factors affecting the Group and their roles.

Disabled employees

Applications for employment by disabled persons are always fully considered bearing in mind the aptitude of the applicant concerned and the physical nature of the care service delivered to the client. Where appropriate, all necessary assistance is given with initial training and once employed a career plan is developed so as to ensure suitable opportunities for each individual.

Charitable donations

During the period the company made charitable donations of £7,034. Individual donations were

	£
Marie Curie in memory day	23
Lions Club	500
Meals supplied to Pilgrim House	2,115
Chairs for Pilgrim House	1,296
Weymouth Amateur Boxing Club	1,000
South Dorset Conservative Association	2,000
Battens Solicitors	100

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Approved by the Board on 18/4/2013 and signed on its behalf by



Mr D E Luckhurst
Director

Agincare Group Limited

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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of Agincare Group Limited

We have audited the financial statements of Agincare Group Limited for the period from 30 July 2011 to 27 July 2012, set out on pages 8 to 31. 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).

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 (set out on page 5), 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 (APB'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 group's and parent 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 Directors' 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 group's and of the parent company's affairs as at 27 July 2012 and of the group's 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of
Agincare Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

Inspire Audit Ltd

Andrew Singleton FCCA
(Senior Statutory Auditor)
For and on behalf of Inspire Audit Ltd
Statutory Auditors

37 Commercial Road
Poole
Dorset
BH14 0HU

Date *19/4/13*

Agincare Group Limited

Consolidated Profit and Loss Account for the Period from 30 July 2011 to 27 July 2012

	Note	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Turnover	2	22,709,882	24,645,760
Cost of sales		<u>(16,560,190)</u>	<u>(18,017,991)</u>
Gross profit		6,149,692	6,627,769
Administrative expenses		<u>(5,114,529)</u>	<u>(5,694,710)</u>
Group operating profit	3	1,035,163	933,059
Other interest receivable and similar income	7	17	12
Interest payable and similar charges	8	<u>(17,031)</u>	<u>(31,177)</u>
Profit on ordinary activities before taxation		1,018,149	901,894
Tax on profit on ordinary activities	9	<u>(288,432)</u>	<u>(270,501)</u>
Profit for the financial period attributable to members of the parent company	20	<u><u>729,717</u></u>	<u><u>631,393</u></u>

Turnover and operating profit derive wholly from continuing operations

The group has no recognised gains or losses for the period other than the results above

Agincare Group Limited
Consolidated Balance Sheet at 27 July 2012

	Note	27 July 2012		29 July 2011	
		£	£	£	£
Fixed assets					
Intangible fixed assets	10		91,401		128,546
Tangible fixed assets	11		596,537		694,691
Current assets					
Stocks	13	16,913		-	
Debtors	14	5,545,633		7,424,285	
Cash at bank and in hand		<u>362,395</u>		<u>37,086</u>	
		5,924,941		7,461,371	
Creditors Amounts falling due within one year	15	<u>(2,659,877)</u>		<u>(3,432,582)</u>	
Net current assets			<u>3,265,064</u>		<u>4,028,789</u>
Total assets less current liabilities			3,953,002		4,852,026
Creditors Amounts falling due after more than one year	16		(500,000)		(2,112,999)
Provisions for liabilities	17		<u>(8,087)</u>		<u>(13,829)</u>
Net assets			<u>3,444,915</u>		<u>2,725,198</u>
Capital and reserves					
Called up share capital	18	10,309		10,309	
Merger reserve	20	14,998		14,998	
Profit and loss account	20	<u>3,419,608</u>		<u>2,699,891</u>	
Shareholders' funds	21		<u>3,444,915</u>		<u>2,725,198</u>

These financial statements were approved and authorised for issue by the Board on 18/4/2013 and signed on its behalf by



Mr D E Luckhurst
 Director

Agincare Group Limited (Registration number: 06182736)

Balance Sheet at 27 July 2012

		27 July 2012		29 July 2011	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	11		279,182		283,448
Investments	12		<u>7,910,000</u>		<u>7,910,000</u>
			8,189,182		8,193,448
Current assets					
Debtors	14	3,029,312		3,530,128	
Cash at bank and in hand		<u>61,005</u>		<u>802</u>	
		3,090,317		3,530,930	
Creditors Amounts falling due within one year	15	<u>(1,296,315)</u>		<u>(1,681,833)</u>	
Net current assets			<u>1,794,002</u>		<u>1,849,097</u>
Total assets less current liabilities			9,983,184		10,042,545
Creditors Amounts falling due after more than one year	16		<u>(1,904,936)</u>		<u>(2,024,039)</u>
Net assets			<u>8,078,248</u>		<u>8,018,506</u>
Capital and reserves					
Called up share capital	18	10,309		10,309	
Share premium account	20	7,990,000		7,990,000	
Profit and loss account	20	<u>77,939</u>		<u>18,197</u>	
Shareholders' funds	21		<u>8,078,248</u>		<u>8,018,506</u>

These financial statements were approved and authorised for issue by the Board on 18/4/2013 and signed on its behalf by



Mr D E Luckhurst
Director

Agincare Group Limited**Consolidated Cash Flow Statement for the Period from 30 July 2011 to 27 July 2012****Cash flow statement**

	Note	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Reconciliation of operating profit to net cash flow from operating activities			
Operating profit		1,035,163	933,059
Depreciation, amortisation and impairment charges		252,290	265,985
Loss on disposal of fixed assets		1,342	868
Increase in stocks		(16,913)	-
Decrease/(increase) in debtors		1,878,652	(1,510,119)
(Decrease)/increase in creditors		(1,861,666)	1,426,485
Net cash inflow from operating activities		<u>1,288,868</u>	<u>1,116,278</u>
Returns on investments and servicing of finance			
Interest received		17	12
HP and finance lease interest		(1,433)	(3,987)
Interest paid		(15,598)	(27,190)
		<u>(17,014)</u>	<u>(31,165)</u>
Tax paid		<u>(364,454)</u>	<u>(30,222)</u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(132,989)	(467,244)
Sale of tangible fixed assets		14,656	3,544
		<u>(118,333)</u>	<u>(463,700)</u>
Equity dividends paid		(10,000)	(20,000)
Net cash inflow before management of liquid resources and financing		<u>779,067</u>	<u>571,191</u>
Financing			
Repayment of capital element of finance leases and HP contracts		(54,303)	(46,690)
Amounts (withdrawn)/introduced by directors		(399,455)	(282,932)
		<u>(453,758)</u>	<u>(329,622)</u>
Increase in cash	23	<u>325,309</u>	<u>241,569</u>

Agincare Group Limited

Consolidated Cash Flow Statement for the Period from 30 July 2011 to 27 July 2012

continued

Reconciliation of net cash flow to movement in net debt

	Note	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Increase in cash		325,309	241,569
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		<u>54,303</u>	<u>46,690</u>
Change in net debt resulting from cash flows	23	<u>379,612</u>	<u>288,259</u>
Movement in net debt	23	379,612	288,259
Net debt at start of period	23	<u>(21,836)</u>	<u>(310,095)</u>
Net funds/(debt) at end of period	23	<u>357,776</u>	<u>(21,836)</u>

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 27 July 2012. Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its profit for the financial period was £69,742 (2011 - £16,558)

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of value added tax and is recognised when services are provided.

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

If a subsidiary, associate or business is subsequently sold or closed, any goodwill arising on acquisition that was written off directly to reserves or that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale or closure.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Goodwill	5% straight line basis
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Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Leasehold property	Straight line over the life of the lease
Fixtures and fittings	15% straight line basis and 15% reducing balance
Motor vehicles	25% reducing balance
Computer equipment	25% straight line basis and 15% reducing balance

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

continued

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the group, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Employee benefits trusts

The company has established trusts for the benefit of employees and certain of their dependants. Monies held in these trusts are held by independent trustees and managed at their discretion.

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the group is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

2 Turnover

All turnover is attributable to the provision of care services and arose within the United Kingdom.

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

continued

3 Operating profit

Operating profit is stated after charging

	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Operating leases - plant and machinery	1,717	412
Operating leases - other assets	376,839	400,310
Loss on sale of tangible fixed assets	1,342	868
Depreciation of owned assets	196,622	235,509
Depreciation of assets held under finance lease and hire purchase contracts	18,523	22,498
Amortisation	37,145	7,978
Auditor's remuneration	60,643	,74,218

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

continued

4 Auditor's remuneration

	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Audit of the financial statements	3,750	3,750
Fees payable to the group's auditor and its associates for other services		
The audit of the company's subsidiaries' annual accounts	38,877	22,098
Other services	18,016	48,370
	<u>56,893</u>	<u>70,468</u>
	<u>60,643</u>	<u>74,218</u>

£3,750 (2011 - £3,750) of the fee for auditing the financial statements and £nil (2011 - £16,198) of other fees to auditors relates to the company

5 Particulars of employees

The average number of persons employed by the group (including directors) during the period, analysed by category was as follows

	30 July 2011 to 27 July 2012 No	31 July 2010 to 29 July 2011 No
Across the whole group	<u>1,252</u>	<u>1,485</u>

The aggregate payroll costs were as follows

	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Wages and salaries	17,149,193	18,555,725
Social security costs	1,135,629	1,308,718
	<u>18,284,822</u>	<u>19,864,443</u>

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

continued

6 Directors' remuneration

The directors' remuneration for the period was as follows

	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Remuneration (including benefits in kind)	232,032	59,004

7 Other interest receivable and similar income

	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Bank interest receivable	-	12
Other interest receivable	17	-
Group interest receivable	17	12

8 Interest payable and similar charges

	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Interest on bank borrowings	13,943	19,826
Other interest payable	1,655	7,364
Finance charges	1,433	3,987
Group interest payable and similar charges	17,031	31,177

Agincare Group Limited**Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012***continued***9 Taxation****Tax on profit on ordinary activities**

	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Current tax		
Corporation tax charge	292,330	273,012
Adjustments in respect of previous years	1,844	-
UK Corporation tax	294,174	273,012
Deferred tax		
Origination and reversal of timing differences	(5,742)	(2,511)
Total tax on profit on ordinary activities	<u>288,432</u>	<u>270,501</u>

Factors affecting current tax charge for the period

Tax on profit on ordinary activities for the year is higher than (2011 - higher than) the standard rate of corporation tax in the UK of 24% (2011 - 26%)

The differences are reconciled below

	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Profit on ordinary activities before taxation	<u>1,018,149</u>	<u>901,894</u>
Corporation tax at standard rate	244,356	234,492
Capital allowances in excess of depreciation	25,185	(8,347)
Expenses not deductible for tax purposes	7,849	33,978
Other differences	16,784	12,889
Total current tax	<u>294,174</u>	<u>273,012</u>

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

continued

10 Intangible fixed assets

Group	Goodwill £	Total £
Cost		
At 30 July 2011	156,779	156,779
At 27 July 2012	156,779	156,779
Amortisation		
At 30 July 2011	28,233	28,233
Charge for the period	5,478	5,478
Writedown to recoverable amount	31,667	31,667
At 27 July 2012	65,378	65,378
Net book value		
At 27 July 2012	91,401	91,401
At 29 July 2011	128,546	128,546

11 Tangible fixed assets

Group	Leasehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation					
At 30 July 2011	47,720	136,549	293,235	846,019	1,323,523
Additions	-	1,006	3,000	128,983	132,989
Disposals	-	(1,738)	(8,695)	(35,068)	(45,501)
At 27 July 2012	47,720	135,817	287,540	939,934	1,411,011
Depreciation					
At 30 July 2011	8,134	44,943	148,425	427,330	628,832
Charge for the period	2,169	19,912	36,701	156,363	215,145
Eliminated on disposals	-	(732)	(3,553)	(25,218)	(29,503)
At 27 July 2012	10,303	64,123	181,573	558,475	814,474
Net book value					
At 27 July 2012	37,417	71,694	105,967	381,459	596,537
At 29 July 2011	39,586	91,606	144,810	418,689	694,691

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

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Leased assets

Included within the net book value of tangible fixed assets is £50,620 (2011 - £67,493) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the period on these assets was £18,523 (2011 - £22,498)

Company

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 30 July 2011	24,062	521,735	545,797
Additions	-	110,636	110,636
At 27 July 2012	<u>24,062</u>	<u>632,371</u>	<u>656,433</u>
Depreciation			
At 30 July 2011	9,968	252,381	262,349
Charge for the period	3,581	111,321	114,902
At 27 July 2012	<u>13,549</u>	<u>363,702</u>	<u>377,251</u>
Net book value			
At 27 July 2012	<u>10,513</u>	<u>268,669</u>	<u>279,182</u>
At 29 July 2011	<u>14,094</u>	<u>269,354</u>	<u>283,448</u>

Leased assets

Included within the net book value of tangible fixed assets is £nil (2011 - £1,650) in respect of assets held under finance leases and similar hire purchase contracts, for a telephone system. Depreciation for the period on these assets was £1,650 (2011 - £19,796). The asset is owned by Agincare Group Limited although the liability is in Agincare UK Limited.

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

continued

12 Investments held as fixed assets

Company

	27 July 2012 £	29 July 2011 £
Shares in group undertakings and participating interests	<u>7,910,000</u>	<u>7,910,000</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 30 July 2011	<u>7,910,000</u>	<u>7,910,000</u>
At 27 July 2012	<u>7,910,000</u>	<u>7,910,000</u>
Net book value		
At 27 July 2012	<u>7,910,000</u>	<u>7,910,000</u>
At 29 July 2011	<u>7,910,000</u>	<u>7,910,000</u>

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Agincare UK Limited	Ordinary shares	100%	Domiciliary care services
Agincare Cuisine Limited	Ordinary shares	100%	Meals on wheels
Agincare Live In Care Services Limited	Ordinary shares	100%	Live in domiciliary care services
Agincare Limited	Ordinary A shares	100%	Non trading company
Agincare UK Leominster Limited*	Ordinary shares	100%	Domiciliary care services
Agincare Extra Care Services Limited	Ordinary shares	100%	Dormant
Agin Care Homes Limited	Ordinary shares	100%	Dormant

* denotes shares not directly held by the parent company

The results for all of the subsidiaries noted above are included within the consolidated financial statements

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

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13 Stocks

	Group		Company	
	27 July 2012 £	29 July 2011 £	27 July 2012 £	29 July 2011 £
Stocks	<u>16,913</u>	<u>-</u>	<u>-</u>	<u>-</u>

14 Debtors

	Group		Company	
	27 July 2012 £	29 July 2011 £	27 July 2012 £	29 July 2011 £
Trade debtors	1,604,071	2,170,965	-	-
Amounts owed by group undertakings	-	-	225,444	626,284
Other debtors	2,736,661	3,977,284	2,740,691	2,822,396
Deferred tax	-	-	-	1,764
Prepayments and accrued income	<u>1,204,901</u>	<u>1,276,036</u>	<u>63,177</u>	<u>79,684</u>
	<u>5,545,633</u>	<u>7,424,285</u>	<u>3,029,312</u>	<u>3,530,128</u>

Group debtors includes £2,716,280 (2011 - £3,463,623) receivable after more than one year and parent company debtors includes £2,941,724 (2011 - £3,421,569) receivable after more than one year

This can be analysed as follows

	Group		Company	
	27 July 2012 £	29 July 2011 £	27 July 2012 £	29 July 2011 £
Amounts owed by group undertakings	-	-	225,444	626,284
Other debtors	<u>2,716,280</u>	<u>3,463,623</u>	<u>2,716,280</u>	<u>2,795,285</u>
	<u>2,716,280</u>	<u>3,463,623</u>	<u>2,941,724</u>	<u>3,421,569</u>

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

continued

15 Creditors Amounts falling due within one year

	Group		Company	
	27 July 2012 £	29 July 2011 £	27 July 2012 £	29 July 2011 £
Trade creditors	311,980	353,059	125,660	105,267
Bank loans and overdrafts	-	-	-	143
Obligations under finance lease and hire purchase contracts	4,619	52,321	-	-
Corporation tax	197,346	267,626	38,214	1,381
Other taxes and social security	240,635	581,406	-	121,816
Other creditors	44,162	46,072	17,980	-
Director's current accounts	1,017,304	1,416,759	1,017,221	1,416,676
Accruals and deferred income	843,831	715,339	97,240	36,550
	<u>2,659,877</u>	<u>3,432,582</u>	<u>1,296,315</u>	<u>1,681,833</u>

Obligations held under finance leases and hire purchase contracts are secured against the assets to which they relate

Agincare Group Limited**Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012***continued***16 Creditors Amounts falling due after more than one year**

	Group		Company	
	27 July 2012 £	29 July 2011 £	27 July 2012 £	29 July 2011 £
Obligations under finance lease and hire purchase contracts	-	6,601	-	-
Amounts owed to group undertakings	-	-	1,904,936	2,024,039
Other creditors	-	1,606,398	-	-
Director's current accounts	500,000	500,000	-	-
	<u>500,000</u>	<u>2,112,999</u>	<u>1,904,936</u>	<u>2,024,039</u>

Obligations held under finance leases and hire purchase contracts are secured against the assets to which they relate

Obligations under finance leases and HP contracts**Amounts repayable**

	Group		Company	
	27 July 2012 £	29 July 2011 £	27 July 2012 £	29 July 2011 £
In one year or less on demand	4,619	52,321	-	-
Between one and two years	-	6,601	-	-
	<u>4,619</u>	<u>58,922</u>	<u>-</u>	<u>-</u>

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

continued

17 Provisions

Group

	Deferred tax £	Total £
At 30 July 2011	13,829	13,829
Credited to the profit and loss account	<u>(5,742)</u>	<u>(5,742)</u>
At 27 July 2012	<u>8,087</u>	<u>8,087</u>

Analysis of deferred tax

	27 July 2012 £	29 July 2011 £
Difference between accumulated depreciation and amortisation and accelerated capital allowances	<u>8,087</u>	<u>13,829</u>

18 Share capital

Allotted, called up and fully paid shares

	27 July 2012		29 July 2011	
	No	£	No	£
Ordinary A shares of £1 each	10,000	10,000	10,000	10,000
Ordinary B shares of £1 each	103	103	103	103
Ordinary C shares of £1 each	103	103	103	103
Ordinary D shares of £1 each	103	103	103	103
	<u>10,309</u>	<u>10,309</u>	<u>10,309</u>	<u>10,309</u>

19 Dividends

	27 July 2012 £	29 July 2011 £
Dividends paid		
Current period interim dividend paid	<u>10,000</u>	<u>20,000</u>

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

continued

20 Reserves

Group

	Merger reserve £	Profit and loss account £	Total £
At 30 July 2011	14,998	2,699,891	2,714,889
Profit for the period	-	729,717	729,717
Dividends	-	(10,000)	(10,000)
At 27 July 2012	<u>14,998</u>	<u>3,419,608</u>	<u>3,434,606</u>

The merger reserve relates to the financial results of Blenheim Care Home Limited, which was a subsidiary of Agincare Group Limited for part of the financial period ended 30 July 2010

Company

	Share premium account £	Profit and loss account £	Total £
At 30 July 2011	7,990,000	18,197	8,008,197
Profit for the period	-	69,742	69,742
Dividends	-	(10,000)	(10,000)
At 27 July 2012	<u>7,990,000</u>	<u>77,939</u>	<u>8,067,939</u>

Agincare Group Limited**Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012***continued***21 Reconciliation of movement in shareholders' funds****Group**

	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Profit attributable to the members of the group	729,717	631,393
Dividends	(10,000)	(20,000)
Net addition to shareholders' funds	719,717	611,393
Shareholders' funds at start of period	2,725,198	2,113,805
Shareholders' funds at end of period	<u>3,444,915</u>	<u>2,725,198</u>

Company

	30 July 2011 to 27 July 2012 £	31 July 2010 to 29 July 2011 £
Profit attributable to the members of the company	69,742	16,558
Dividends	(10,000)	(20,000)
Net addition/(reduction) to shareholders' funds	59,742	(3,442)
Shareholders' funds at start of period	8,018,506	8,021,948
Shareholders' funds at end of period	<u>8,078,248</u>	<u>8,018,506</u>

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

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22 Commitments

Operating lease commitments

Group

As at 27 July 2012 the group had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	27 July 2012 £	29 July 2011 £
Land and buildings		
Within one year	38,750	90,918
Within two and five years	132,683	180,917
Over five years	31,250	32,250
	<u>202,683</u>	<u>304,085</u>

Company

As at 27 July 2012 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	27 July 2012 £	29 July 2011 £
Land and buildings		
Within one year	-	-
Within two and five years	9,000	9,000
	<u>9,000</u>	<u>9,000</u>

23 Analysis of net debt

	At 30 July 2011 £	Cash flow £	At 27 July 2012 £
Cash at bank and in hand	37,086	325,309	362,395
Debt due within one year	(52,321)	54,303	(4,619)
Debt due after more than one year	(6,601)	-	-
Net funds	<u>(21,836)</u>	<u>379,612</u>	<u>357,776</u>

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

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24 Related party transactions

During the period the company made the following related party transactions

Mr D E Luckhurst

(Director)

A total of £399,455 was repaid to Mr D E Luckhurst in respect his director's current accounts throughout the group. No interest is charged on these accounts. At the balance sheet date the amount due to Mr D E Luckhurst was £1,517,304 (2011 - £1,916,759)

Mr A Luckhurst

(Shareholder)

Dividends of £5,000 were paid to Mr A Luckhurst during the year. At the balance sheet date the amount due to Mr A Luckhurst was £nil (2011 - £nil)

Mr S Luckhurst

(Shareholder)

Dividends of £5,000 were paid to Mr S Luckhurst during the year. At the balance sheet date the amount due to Mr S Luckhurst was £nil (2011 - £nil)

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

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Other related party transactions

The following companies are related parties of Agincare Group Limited and its subsidiaries as 100% of their issued share capital is owned by Mr D E Luckhurst and his close family members. At the balance sheet date the group had the following inter-company loan account balances outstanding and are disclosed within other debtors and other creditors

Inter-company balances disclosed within other debtors

	27 July 2012	29 July 2011
	£	£
Agincare Homes Holdings Limited	2,716,225	113,123
Home Care Banes Limited	55	229,973
Crecy Residential Homes Partnership	-	6,076
Trafalgar Care Limited	-	714,239
Waterloo Care Home Limited	-	1,204,912
Blenheim Care Home Limited	-	1,131,757
Naseby Care Home Limited	-	17,761
Agincourt Care Home Limited	-	289,804
Chalgrove Care Home Limited	-	46,309
Edgehill Care Home Limited	-	501
Lansdowne Care Home Limited	-	501

Inter-company balances disclosed within other creditors

	27 July 2012	29 July 2011
	£	£
Agincare Homes Holdings Limited	-	50,000
Home Care Banes Limited	-	727,949
Crecy Residential Home Partnership	-	146
Trafalgar Care Limited	-	522,528
Blenheim Care Home Limited	-	26,185
Naseby Care Home Limited	-	188,477
Agincourt Care Home Limited	-	91,113

During the period Agincare Group Limited and its subsidiaries received management charges from Home Care Banes Limited (previously known as Agincare (Banes) Limited) and paid rent to Nemesis Properties as follows

	2012	2011
	£	£
Rent paid to Nemesis Properties	19,200	19,200
Management charges receivable from Home Care (Banes) Limited (previously known as Agincare (Banes) Limited)	199,996	199,689

Agincare Group Limited

Notes to the Financial Statements for the Period from 30 July 2011 to 27 July 2012

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25 Control

The company is controlled by Mr D E Luckhurst who owns 97% of the called up share capital

26 Accounting reference date

The group and company's accounting reference date is 31 July. As permitted by Section 390 of the Companies Act 2006, the group has prepared accounts to 27 July 2012 (2011 - 29 July 2011) reflecting its use of 13 accounting periods