

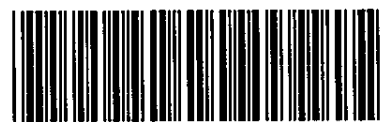
Hadrian Healthcare (Hull) Limited

FINANCIAL STATEMENTS

for the year ended

31 March 2013

THURSDAY



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19/12/2013

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COMPANIES HOUSE

Hadrian Healthcare (Hull) Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

I Watson
D Nicholson

SECRETARY

J Gill

REGISTERED OFFICE

Hadrian Offices
3 Keel Row
The Watermark
Gateshead
Tyne and Wear
NE11 9SZ

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Hadrian Healthcare (Hull) Limited

DIRECTORS' REPORT

The directors submit their report and financial statements of Hadrian Healthcare (Hull) Limited for the year ended 31 March 2013

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the operation of a care home

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £304,531 (2012 - profit £209,770) The directors have not recommended a dividend

DIRECTORS

The directors who served the company during the year were as follows

I Watson

D Nicholson

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office

On behalf of the board

I Watson

Director



17/12/13

Hadrian Healthcare (Hull) Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HADRIAN HEALTHCARE (HULL) LIMITED

We have audited the financial statements on pages 5 to 12. 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 more fully explained 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

Opinion on the 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 2013 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.

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.



CLAIRE LEECE (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

17/12/13.

Hadrian Healthcare (Hull) Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2013

		2013	2012
	<i>Notes</i>	£	£
TURNOVER	1	2,270,610	1,935,410
Cost of sales		<u>(1,359,067)</u>	<u>(1,170,691)</u>
Gross profit		911,543	764,719
Administrative expenses		<u>(395,653)</u>	<u>(379,852)</u>
OPERATING PROFIT	2	515,890	384,867
Interest payable and similar charges	4	(122,879)	(129,195)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>393,011</u>	<u>255,672</u>
Taxation	5	(88,480)	(45,902)
PROFIT FOR THE FINANCIAL YEAR	15	<u>304,531</u>	<u>209,770</u>

The profit for the year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

Hadrian Healthcare (Hull) Limited

BALANCE SHEET

31 March 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Tangible assets	6	<u>4,630,981</u>	<u>4,662,799</u>
CURRENT ASSETS			
Debtors	7	348,627	333,556
Cash at bank and in hand		<u>43,944</u>	<u>4,098</u>
		392,571	337,654
CREDITORS			
Amounts falling due within one year	8	<u>(169,210)</u>	<u>(182,189)</u>
NET CURRENT ASSETS		<u>223,361</u>	<u>155,465</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,854,342</u>	<u>4,818,264</u>
CREDITORS			
Amounts falling due after more than one year	9	(4,555,098)	(4,912,031)
PROVISIONS FOR LIABILITIES	11	<u>(134,382)</u>	<u>(45,902)</u>
		<u>164,862</u>	<u>(139,669)</u>
CAPITAL AND RESERVES			
Called up share capital	14	2	2
Profit and loss account	15	164,860	(139,671)
SHAREHOLDERS' FUNDS/(DEFICIT)	16	<u>164,862</u>	<u>(139,669)</u>

The financial statements on pages 5 to 12 were approved by the board of directors and authorised for issue on 17/12/13 and are signed on their behalf by

I Watson
Director



Hadrian Healthcare (Hull) Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention

CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

TURNOVER

Turnover shown in the profit and loss account represents the amounts invoiced for services provided during the period

FIXED ASSETS

All fixed assets are initially recorded at cost

DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings	-	15% reducing balance
Motor Vehicles	-	25% straight line

The company's freehold property is maintained by a programme of repair and refurbishment such that the residual value is deemed to be at least equal to the book value. Having regard to this, it is the opinion of the directors that depreciation as required by the Companies Act 2006 and accounting standards would not be material

HIRE PURCHASE AGREEMENTS

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

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

FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Hadrian Healthcare (Hull) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2013

1 TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

	2013 £	2012 £
United Kingdom	<u>2,270,610</u>	<u>1,935,410</u>

2 OPERATING PROFIT

Operating profit is stated after charging

	2013 £	2012 £
Directors' remuneration	–	–
Depreciation of owned fixed assets	40,895	41,077
Depreciation of assets held under hire purchase agreements	–	4,219
Loss on disposal of fixed assets	1,536	–
Auditor's remuneration for statutory audit	<u>1,550</u>	<u>1,335</u>

3 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year was

	2013 No	2012 No
Number of care home staff	94	91
Number of management	1	1
	<u>95</u>	<u>92</u>

The aggregate payroll costs of the above were

	2013 £	2012 £
Wages and salaries	1,150,587	994,615
Social security costs	70,233	61,519
	<u>1,220,820</u>	<u>1,056,134</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £	2012 £
On finance leases	649	665
On bank loans	122,190	128,137
On overdrafts	40	393
	<u>122,879</u>	<u>129,195</u>

Hadrian Healthcare (Hull) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2013

5 TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2013 £	2012 £
Deferred tax		
Origination and reversal of timing differences	<u>88,480</u>	<u>45,902</u>

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 24% (2012 - 26%), as explained below

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>393,011</u>	<u>255,672</u>
Profit on ordinary activities by rate of tax	94,323	66,475
Effects of Capital allowances for period in excess of depreciation	(14,864)	(26,852)
Utilisation of tax losses	<u>(79,459)</u>	<u>(39,623)</u>
Total current tax	<u>-</u>	<u>-</u>

6 TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost				
At 1 April 2012	4,391,555	393,762	16,877	4,802,194
Additions	-	16,813	-	16,813
Disposals	-	-	(16,877)	(16,877)
At 31 March 2013	<u>4,391,555</u>	<u>410,575</u>	<u>-</u>	<u>4,802,130</u>
Depreciation				
At 1 April 2012	-	130,254	9,141	139,395
Charge for the year	-	40,895	-	40,895
On disposals	-	-	(9,141)	(9,141)
At 31 March 2013	<u>-</u>	<u>171,149</u>	<u>-</u>	<u>171,149</u>
Net book value				
At 31 March 2013	<u>4,391,555</u>	<u>239,426</u>	<u>-</u>	<u>4,630,981</u>
At 31 March 2012	<u>4,391,555</u>	<u>263,508</u>	<u>7,736</u>	<u>4,662,799</u>

Hadrian Healthcare (Hull) Limited
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 March 2013

6 TANGIBLE FIXED ASSETS *(continued)*

Hire purchase agreements

Included within the net book value of £4,630,981 is £Nil (2012 - £7,736) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £Nil (2012 - £4,219)

7 DEBTORS

	2013	2012
	£	£
Trade debtors	56,741	109,374
Amounts owed by group undertakings	261,338	202,929
Other debtors	16,800	7,300
Prepayments and accrued income	13,748	13,953
	<u>348,627</u>	<u>333,556</u>

The debtors above include the following amounts falling due after more than one year

	2013	2012
	£	£
Amounts owed by group undertakings	<u>190,872</u>	<u>180,872</u>

8 CREDITORS Amounts falling due within one year

	2013	2012
	£	£
Bank overdrafts	–	45,224
Trade creditors	29,928	23,460
Amounts owed to group undertakings	40,534	–
PAYE and social security	16,427	21,744
Obligations under hire purchase agreements	–	3,243
Other creditors	14,035	14,748
Accruals and deferred income	68,286	73,770
	<u>169,210</u>	<u>182,189</u>

The bank overdraft and loan are secured by fixed and floating charges on the assets of the company and other group assets, supported by an unlimited cross guarantee with other group companies (see note 12). In addition, personal guarantees have been given by the directors in the amount of £500,000.

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2013	2012
	£	£
Bank overdrafts	–	45,224
Hire purchase	–	3,243
	<u>–</u>	<u>48,467</u>

Hadrian Healthcare (Hull) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2013

9 CREDITORS Amounts falling due after more than one year

	2013	2012
	£	£
Bank loans	4,367,611	4,367,611
Amounts owed to group undertakings	-	243,801
Obligations under hire purchase agreements	-	5,132
Directors' loan accounts	187,487	295,487
	<u>4,555,098</u>	<u>4,912,031</u>

The director's loan account is interest free with no fixed repayment terms

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2013	2012
	£	£
Bank loans	4,367,611	4,367,611
Hire purchase	-	5,132
	<u>4,367,611</u>	<u>4,372,743</u>

10 COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	2013	2012
	£	£
Amounts payable within 1 year	-	3,243
Amounts payable between 2 to 5 years	-	5,132
	<u>-</u>	<u>8,375</u>

11 PROVISIONS FOR LIABILITIES

	Deferred taxation
	£
Balance brought forward	45,902
Profit and Loss Account movement arising during the year	88,480
Balance carried forward	<u>134,382</u>

Deferred tax is analysed over the following timing differences at 23% (2012 24%)

	2013		2012	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Accelerated capital allowances	206,197	-	200,298	-
Tax losses available	(71,815)	-	(154,396)	-
	<u>134,382</u>	<u>-</u>	<u>45,902</u>	<u>-</u>

Hadrian Healthcare (Hull) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2013

12 CONTINGENCIES

The company is subject to an unlimited cross guarantee with its parent company Hadrian Healthcare Limited, and fellow subsidiaries Hadrian Healthcare (Scunthorpe) Limited, Hadrian Healthcare (Leeds) Limited, Hadrian Healthcare (Bradford) Limited and Hadrian Healthcare (Northumberland) Limited. The total bank borrowings of these companies at the balance sheet date were £12,170,024 (2012 £12,210,763)

13 RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption available under FRS 8 whereby there is no requirement to disclose inter-group transactions and balances as the company is a wholly-owned subsidiary and the group accounts in which it is included are publicly available

During the year under review I Watson, director, introduced funds of £nil and withdrew funds of £54,000 leaving a balance due from the company of £93,744 (2012 £147,744)

During the year under review D Nicholson, director, introduced funds of £nil and withdrew funds of £54,000 leaving a balance due from the company of £93,743 (2012 £147,743)

14 SHARE CAPITAL

	2013	2012
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

15 PROFIT AND LOSS ACCOUNT

	2013	2012
	£	£
At the beginning of the year	(139,671)	(349,441)
Profit for the financial year	<u>304,531</u>	<u>209,770</u>
At the end of the year	<u>164,860</u>	<u>(139,671)</u>

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013	2012
	£	£
Profit for the financial year	304,531	209,770
Opening shareholders' deficit	<u>(139,669)</u>	<u>(349,439)</u>
Closing shareholders' funds/(deficit)	<u>164,862</u>	<u>(139,669)</u>

17 ULTIMATE PARENT COMPANY

The company's ultimate parent undertaking is Hadrian Healthcare Limited, a company registered in England