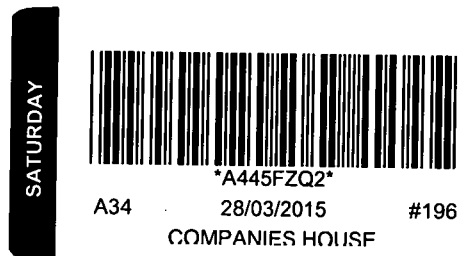


**The Franklyn Group Limited and its
subsidiary undertaking**

**Group Strategic Report,
Report of the Directors and
Consolidated Financial Statements**

Year Ended 30 June 2014



Jolliffe Cork LLP
Chartered Accountants & Statutory Auditor
33 George Street
Wakefield
West Yorkshire
WF1 1LX

The Franklyn Group Limited and its subsidiary undertaking

**Contents of the Consolidated Financial Statements
for the year ended 30 June 2014**

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The Franklyn Group Limited and its subsidiary undertaking

Company Information for the year ended 30 June 2014

DIRECTORS:	Mr R A Fleming Mrs S A MacArthur
SECRETARY:	Mr R A Fleming
REGISTERED OFFICE:	33 George Street Wakefield West Yorkshire WF1 1LX
REGISTERED NUMBER:	04340639 (England and Wales)
AUDITORS:	Jolliffe Cork LLP Chartered Accountants & Statutory Auditor 33 George Street Wakefield West Yorkshire WF1 1LX
BANKERS:	Barclays Bank Plc Sheffield City 2 Leicestershire LE87 2BB

The Franklyn Group Limited and its subsidiary undertaking

Group Strategic Report for the year ended 30 June 2014

The directors present their strategic report of the company and the group for the year ended 30 June 2014.

REVIEW OF BUSINESS

The directors are pleased to report that the Care business of the group has been maintained to a level that has previously been established with the trend of success remaining unchanged.

The pressures placed upon the business remain constant and ever changing. The industry is susceptible to influences over which it has little or no control. Regulatory and legislative bodies continue to introduce change and compliance measures which impact on the operational management of the care homes.

Competition continues to be a major factor in all geographical areas with the commissioning of new builds and the introduction of alternative choices of care.

The group has continued with its active programme of refurbishment, replacement of capital equipment and enhancement of its properties and grounds.

The attention to detail and the importance the group places upon a personal service to its residents is the essential key to its success.

ON BEHALF OF THE BOARD:



Mr R A Fleming - Secretary

23 March 2015

The Franklyn Group Limited and its subsidiary undertaking

Report of the Directors for the year ended 30 June 2014

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2014.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of care homes, care home agents and property developers.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2014.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2013 to the date of this report.

Mr R A Fleming
Mrs S A MacArthur

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 the group 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

The Franklyn Group Limited and its subsidiary undertaking

**Report of the Directors
for the year ended 30 June 2014**

AUDITORS

The auditors, Jolliffe Cork LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr R A Fleming - Secretary

23 March 2015

Report of the Independent Auditors to the Members of The Franklyn Group Limited and its subsidiary undertaking

We have audited the financial statements of The Franklyn Group Limited and its subsidiary undertaking for the year ended 30 June 2014 on pages seven to twenty six. 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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the 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 Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 30 June 2014 and of the group's 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of The Franklyn Group Limited and its subsidiary undertaking

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.

Adam Perkin FCA (Senior Statutory Auditor)
for and on behalf of Jolliffe Cork LLP
Chartered Accountants & Statutory Auditor
33 George Street
Wakefield
West Yorkshire
WF1 1LX

23 March 2015

The Franklyn Group Limited and its subsidiary undertaking

**Consolidated Profit and Loss Account
for the year ended 30 June 2014**

	Notes	2014 £	2013 £
TURNOVER		2,585,025	2,378,653
Cost of sales		<u>149,708</u>	<u>159,041</u>
GROSS PROFIT		2,435,317	2,219,612
Administrative expenses		<u>2,059,944</u>	<u>1,999,345</u>
		375,373	220,267
Other operating income		<u>28,513</u>	<u>20,099</u>
OPERATING PROFIT	3	403,886	240,366
Interest receivable and similar income		<u>18</u>	<u>5</u>
		403,904	240,371
Interest payable and similar charges	4	<u>64,170</u>	<u>62,972</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		339,734	177,399
Tax on profit on ordinary activities	5	<u>71,845</u>	<u>32,380</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		267,889	145,019
Minority interest - equity		<u>-</u>	<u>7,449</u>
RETAINED PROFIT FOR THE GROUP CARRIED FORWARD		<u>267,889</u>	<u>137,570</u>

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year.

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

**Consolidated Statement of Total Recognised Gains and Losses
for the year ended 30 June 2014**

	2014 £	2013 £
PROFIT FOR THE FINANCIAL YEAR	267,889	137,570
Unrealised surplus on revaluation of properties	-	148,422
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>267,889</u>	<u>285,992</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking (Registered number: 04340639)

**Consolidated Balance Sheet
30 June 2014**

		2014	2013
	Notes	£	£
FIXED ASSETS			
Intangible assets	7	40,000	40,416
Tangible assets	8	5,715,147	5,733,075
Investments	9	-	-
		<u>5,755,147</u>	<u>5,773,491</u>
CURRENT ASSETS			
Stocks	10	5,203	5,059
Debtors	11	161,764	133,724
Cash at bank and in hand		<u>531,205</u>	<u>156,231</u>
		698,172	295,014
CREDITORS			
Amounts falling due within one year	12	<u>477,410</u>	<u>365,146</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>220,762</u>	<u>(70,132)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,975,909	5,703,359
CREDITORS			
Amounts falling due after more than one year	13	(2,840,221)	(2,838,124)
PROVISIONS FOR LIABILITIES	17	<u>(19,593)</u>	<u>(17,029)</u>
NET ASSETS		<u><u>3,116,095</u></u>	<u><u>2,848,206</u></u>

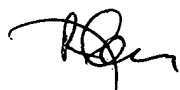
The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking (Registered number: 04340639)

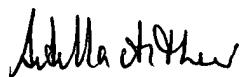
Consolidated Balance Sheet - continued
30 June 2014

	Notes	2014	2013
		£	£
CAPITAL AND RESERVES			
Called up share capital	18	201,000	201,000
Revaluation reserve	19	1,990,747	1,990,747
Profit and loss account	19	<u>924,348</u>	<u>656,459</u>
SHAREHOLDERS' FUNDS	22	<u>3,116,095</u>	<u>2,848,206</u>

The financial statements were approved by the Board of Directors on 23 March 2015 and were signed on its behalf by:



Mr R A Fleming - Director



Mrs S A MacArthur - Director

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking (Registered number: 04340639)

Company Balance Sheet
30 June 2014

		2014	2013
	Notes	£	£
FIXED ASSETS			
Intangible assets	7	-	416
Tangible assets	8	5,691,734	5,695,706
Investments	9	<u>40,200</u>	<u>40,000</u>
		5,731,934	5,736,122
CURRENT ASSETS			
Stocks	10	4,350	4,350
Debtors	11	253,756	256,489
Cash at bank and in hand		<u>505,653</u>	<u>152,971</u>
		763,759	413,810
CREDITORS			
Amounts falling due within one year	12	<u>422,634</u>	<u>321,543</u>
NET CURRENT ASSETS		<u>341,125</u>	<u>92,267</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,073,059	5,828,389
CREDITORS			
Amounts falling due after more than one year	13	(2,840,221)	(2,838,124)
PROVISIONS FOR LIABILITIES	17	<u>(19,593)</u>	<u>(17,029)</u>
NET ASSETS		<u><u>3,213,245</u></u>	<u><u>2,973,236</u></u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking (Registered number: 04340639)

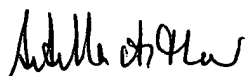
Company Balance Sheet - continued
30 June 2014

	Notes	2014	2013
		£	£
CAPITAL AND RESERVES			
Called up share capital	18	201,000	201,000
Revaluation reserve	19	1,990,747	1,990,747
Profit and loss account	19	<u>1,021,498</u>	<u>781,489</u>
SHAREHOLDERS' FUNDS	22	<u><u>3,213,245</u></u>	<u><u>2,973,236</u></u>

The financial statements were approved by the Board of Directors on 23 March 2015 and were signed on its behalf by:



Mr R A Fleming - Director



Mrs S A MacArthur - Director

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

**Consolidated Cash Flow Statement
for the year ended 30 June 2014**

		2014	2013
	Notes	£	£
Net cash inflow from operating activities	1	529,289	175,512
Returns on investments and servicing of finance	2	(64,152)	(62,967)
Taxation		(27,677)	(61,457)
Capital expenditure	2	<u>(20,765)</u>	<u>91,640</u>
		416,695	142,728
Financing	2	<u>(41,721)</u>	<u>(150,262)</u>
Increase/(decrease) in cash in the period		<u>374,974</u>	<u>(7,534)</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase/(decrease) in cash in the period		374,974	(7,534)
Cash outflow from decrease in debt		<u>41,721</u>	<u>150,262</u>
Change in net debt resulting from cash flows		<u>416,695</u>	<u>142,728</u>
Movement in net debt in the period		416,695	142,728
Net debt at 1 July		<u>(2,585,490)</u>	<u>(2,728,218)</u>
Net debt at 30 June		<u>(2,168,795)</u>	<u>(2,585,490)</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

**Notes to the Consolidated Cash Flow Statement
for the year ended 30 June 2014**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	403,886	240,366
Depreciation charges	36,116	53,055
Loss/(profit) on disposal of fixed assets	2,992	(44,688)
(Increase)/decrease in stocks	(144)	360
Increase in debtors	(28,039)	(27,335)
Increase/(decrease) in creditors	<u>114,478</u>	<u>(46,246)</u>
Net cash inflow from operating activities	<u>529,289</u>	<u>175,512</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	18	5
Interest paid	<u>(64,170)</u>	<u>(62,972)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(64,152)</u>	<u>(62,967)</u>
Capital expenditure		
Purchase of intangible fixed assets	(200)	-
Purchase of tangible fixed assets	<u>(30,065)</u>	<u>(69,753)</u>
Sale of tangible fixed assets	<u>9,500</u>	<u>161,393</u>
Net cash (outflow)/inflow for capital expenditure	<u>(20,765)</u>	<u>91,640</u>
Financing		
Loan repayments in year	<u>(41,721)</u>	<u>(150,262)</u>
Net cash outflow from financing	<u>(41,721)</u>	<u>(150,262)</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

**Notes to the Consolidated Cash Flow Statement
for the year ended 30 June 2014**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.7.13 £	Cash flow £	At 30.6.14 £
Net cash:			
Cash at bank and in hand	<u>156,231</u>	<u>374,974</u>	<u>531,205</u>
	<u>156,231</u>	<u>374,974</u>	<u>531,205</u>
Debt:			
Debts falling due within one year	(153,322)	3,318	(150,004)
Debts falling due after one year	<u>(2,588,399)</u>	<u>38,403</u>	<u>(2,549,996)</u>
	<u>(2,741,721)</u>	<u>41,721</u>	<u>(2,700,000)</u>
Total	<u>(2,585,490)</u>	<u>416,695</u>	<u>(2,168,795)</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements for the year ended 30 June 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Goodwill

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10% straight line

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 1% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on cost

Fixed assets are initially recorded at cost.

No depreciation is provided on freehold land.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

2. STAFF COSTS

	2014 £	2013 £
Wages and salaries	1,344,676	1,338,793
Social security costs	87,087	83,249
Other pension costs	<u>3,520</u>	<u>3,600</u>
	<u>1,435,283</u>	<u>1,425,642</u>

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2014

2. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2014	2013
Management	5	5
Care home staff	95	90
Administration	<u>5</u>	<u>4</u>
	<u>105</u>	<u>99</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2014	2013
	£	£
Depreciation - owned assets	35,501	48,052
Loss/(profit) on disposal of fixed assets	2,992	(44,688)
Goodwill amortisation	616	5,001
Auditors' remuneration	<u>6,300</u>	<u>6,300</u>
Directors' remuneration	116,811	133,533
Directors' pension contributions to money purchase schemes	<u>3,520</u>	<u>3,600</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

In addition to remuneration for the audit, the auditors have also levied the following fees:

	2014	2013
	£	£
Audit of subsidiary undertaking	2,500	2,500
Tax advisory services	1,075	1,005
Other services	<u>500</u>	<u>500</u>
	<u>4,075</u>	<u>4,005</u>

The Franklyn Group Limited and its subsidiary undertaking

**Notes to the Consolidated Financial Statements - continued
for the year ended 30 June 2014**

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Bank interest	57,756	56,478
Interest on other loans	<u>6,414</u>	<u>6,494</u>
	<u>64,170</u>	<u>62,972</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2014	2013
	£	£
Current tax:		
UK corporation tax	69,281	27,676
Deferred tax	<u>2,564</u>	<u>4,704</u>
Tax on profit on ordinary activities	<u>71,845</u>	<u>32,380</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2014	2013
	£	£
Profit on ordinary activities before tax	<u>339,734</u>	<u>177,399</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2013 - 23%)	78,139	40,802
Effects of:		
Expenses not deductible for tax purposes	(3,945)	132
Capital allowances in excess of depreciation	(1,682)	(12,529)
Utilisation of tax losses	(983)	-
Marginal relief	-	(1,655)
Change of rates	<u>(2,248)</u>	<u>926</u>
Current tax charge	<u>69,281</u>	<u>27,676</u>

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2014

6. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £240,009 (2013 - £341,218).

7. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 July 2013	140,000
Additions	<u>200</u>
At 30 June 2014	<u>140,200</u>
AMORTISATION	
At 1 July 2013	99,584
Amortisation for year	<u>616</u>
At 30 June 2014	<u>100,200</u>
NET BOOK VALUE	
At 30 June 2014	<u>40,000</u>
At 30 June 2013	<u>40,416</u>

Company

	Goodwill £
COST	
At 1 July 2013 and 30 June 2014	<u>100,000</u>
AMORTISATION	
At 1 July 2013	99,584
Amortisation for year	<u>416</u>
At 30 June 2014	<u>100,000</u>
NET BOOK VALUE	
At 30 June 2014	<u>-</u>
At 30 June 2013	<u>416</u>

The Franklyn Group Limited and its subsidiary undertaking

**Notes to the Consolidated Financial Statements - continued
for the year ended 30 June 2014**

8. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 July 2013	5,575,048	129,811	107,504	55,490	5,867,853
Additions	3,116	20,503	-	6,446	30,065
Disposals	-	-	(32,900)	-	(32,900)
At 30 June 2014	<u>5,578,164</u>	<u>150,314</u>	<u>74,604</u>	<u>61,936</u>	<u>5,865,018</u>
DEPRECIATION					
At 1 July 2013	-	44,127	57,731	32,920	134,778
Charge for year	-	19,687	10,348	5,466	35,501
Eliminated on disposal	-	-	(20,408)	-	(20,408)
At 30 June 2014	-	<u>63,814</u>	<u>47,671</u>	<u>38,386</u>	<u>149,871</u>
NET BOOK VALUE					
At 30 June 2014	<u>5,578,164</u>	<u>86,500</u>	<u>26,933</u>	<u>23,550</u>	<u>5,715,147</u>
At 30 June 2013	<u>5,575,048</u>	<u>85,684</u>	<u>49,773</u>	<u>22,570</u>	<u>5,733,075</u>

The property was valued in November 2013 on a Market Value basis by Edward Symmons. The directors are of the opinion that this represents the fair value of the property at the balance sheet date.

The historical cost of the revalued assets is £3,569,919 (2012: £4,021,578).

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2014

8. TANGIBLE FIXED ASSETS - continued

Company

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 July 2013	5,575,048	122,002	87,084	1,894	5,786,028
Additions	<u>3,116</u>	<u>20,503</u>	<u>-</u>	<u>-</u>	<u>23,619</u>
At 30 June 2014	<u>5,578,164</u>	<u>142,505</u>	<u>87,084</u>	<u>1,894</u>	<u>5,809,647</u>
DEPRECIATION					
At 1 July 2013	-	36,317	52,409	1,596	90,322
Charge for year	<u>-</u>	<u>19,687</u>	<u>7,741</u>	<u>163</u>	<u>27,591</u>
At 30 June 2014	<u>-</u>	<u>56,004</u>	<u>60,150</u>	<u>1,759</u>	<u>117,913</u>
NET BOOK VALUE					
At 30 June 2014	<u>5,578,164</u>	<u>86,501</u>	<u>26,934</u>	<u>135</u>	<u>5,691,734</u>
At 30 June 2013	<u>5,575,048</u>	<u>85,685</u>	<u>34,675</u>	<u>298</u>	<u>5,695,706</u>

The property was valued in November 2013 on a Market Value basis by Edward Symmons. The directors are of the opinion that this represents the fair value of the property at the balance sheet date.

The historical cost of the revalued assets is £3,569,919 (2012: £4,021,578).

9. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2013	40,000
Additions	<u>200</u>
At 30 June 2014	<u>40,200</u>
NET BOOK VALUE	
At 30 June 2014	<u>40,200</u>
At 30 June 2013	<u>40,000</u>

The Franklyn Group Limited and its subsidiary undertaking

**Notes to the Consolidated Financial Statements - continued
for the year ended 30 June 2014**

10. STOCKS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Stocks	<u>5,203</u>	<u>5,059</u>	<u>4,350</u>	<u>4,350</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	90,612	67,488	76,747	66,039
Amounts owed by group undertakings	-	-	137,871	145,661
Other debtors	11,300	-	1,000	-
VAT	530	-	-	-
Prepayments and accrued income	<u>59,322</u>	<u>66,236</u>	<u>38,138</u>	<u>44,789</u>
	<u>161,764</u>	<u>133,724</u>	<u>253,756</u>	<u>256,489</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts (see note 14)	150,004	153,322	150,004	153,335
Trade creditors	103,996	71,465	69,556	53,580
Tax	69,280	27,676	69,280	27,676
Social security and other taxes	25,588	29,043	18,892	21,601
VAT	-	8,168	-	-
Other creditors	27,101	20,911	27,101	20,467
Accruals and deferred income	<u>101,441</u>	<u>54,561</u>	<u>87,801</u>	<u>44,884</u>
	<u>477,410</u>	<u>365,146</u>	<u>422,634</u>	<u>321,543</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans (see note 14)	2,549,996	2,588,399	2,549,996	2,588,399
Directors loan account	249,725	249,725	249,725	249,725
Accruals and deferred income	<u>40,500</u>	<u>-</u>	<u>40,500</u>	<u>-</u>
	<u>2,840,221</u>	<u>2,838,124</u>	<u>2,840,221</u>	<u>2,838,124</u>

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2014

14. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Amounts falling due within one year or on demand:				
Bank overdrafts	-	-	-	13
Bank loans	<u>150,004</u>	<u>153,322</u>	<u>150,004</u>	<u>153,322</u>
	<u>150,004</u>	<u>153,322</u>	<u>150,004</u>	<u>153,335</u>
Amounts falling due between one and two years:				
Bank loans	<u>153,769</u>	<u>156,417</u>	<u>153,769</u>	<u>156,417</u>
Amounts falling due between two and five years:				
Bank loans	<u>485,440</u>	<u>488,450</u>	<u>485,440</u>	<u>488,450</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	<u>1,910,787</u>	<u>1,943,532</u>	<u>1,910,787</u>	<u>1,943,532</u>

15. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

Group	Land and buildings	
	2014 £	2013 £
Expiring:		
In more than five years	<u>35,906</u>	<u>35,906</u>

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2014

16. SECURED DEBTS

The following secured debts are included within creditors:

	Company	
	2014	2013
	£	£
Bank overdraft	-	13
Bank loans	<u>2,700,000</u>	<u>2,741,721</u>
	<u>2,700,000</u>	<u>2,741,734</u>

Security is held by way of a cross guarantee from Sirtin Limited and a first legal charge dated 2 April 2014 over the the companys freehold property;Stobars Hall, Kirkby Hall, Cumbria; Kirkwood, 35 Moorfield Road, Ben Rhydding; The Gatehouse, 9 Manor Road, Harrogate and that of Sirtin Limited; Hillcrest, Byng road, Catterick Garrison.

17. PROVISIONS FOR LIABILITIES

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Deferred tax	<u>19,593</u>	<u>17,029</u>	<u>19,593</u>	<u>17,029</u>

Group

	Deferred tax
	£
Balance at 1 July 2013	17,029
Accelerated capital allowances	<u>2,564</u>
Balance at 30 June 2014	<u>19,593</u>

Company

	Deferred tax
	£
Balance at 1 July 2013	17,029
Accelerated capital allowances	<u>2,564</u>
Balance at 30 June 2014	<u>19,593</u>

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2014

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2014 £ <u>201,000</u>	2013 £ <u>201,000</u>
201,000	Ordinary			

19. RESERVES

Group

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 July 2013	656,459	1,990,747	2,647,206
Profit for the year	<u>267,889</u>		<u>267,889</u>
At 30 June 2014	<u>924,348</u>	<u>1,990,747</u>	<u>2,915,095</u>

Company

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 July 2013	781,489	1,990,747	2,772,236
Profit for the year	<u>240,009</u>		<u>240,009</u>
At 30 June 2014	<u>1,021,498</u>	<u>1,990,747</u>	<u>3,012,245</u>

20. CONTINGENT LIABILITIES

The company is subject to a cross guarantee dated 2 April 2014 for the liabilities of Sirtin Limited.

21. RELATED PARTY DISCLOSURES

The group was under the control of Mr R A Fleming throughout the current year and previous year.

During the year the company has paid rent in the sum of £35,906 (2013: £35,906) to the RAF Partnership, in which Mr R A Fleming is a partner.

The Franklyn Group Limited and its subsidiary undertaking

**Notes to the Consolidated Financial Statements - continued
for the year ended 30 June 2014**

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2014	2013
	£	£
Profit for the financial year	267,889	137,570
Other recognised gains and losses relating to the year (net)	<u>-</u>	<u>148,422</u>
Net addition to shareholders' funds	267,889	285,992
Opening shareholders' funds	<u>2,848,206</u>	<u>2,562,214</u>
Closing shareholders' funds	<u>3,116,095</u>	<u>2,848,206</u>

Company

	2014	2013
	£	£
Profit for the financial year	240,009	341,218
Other recognised gains and losses relating to the year (net)	<u>-</u>	<u>148,422</u>
Net addition to shareholders' funds	240,009	489,640
Opening shareholders' funds	<u>2,973,236</u>	<u>2,483,596</u>
Closing shareholders' funds	<u>3,213,245</u>	<u>2,973,236</u>