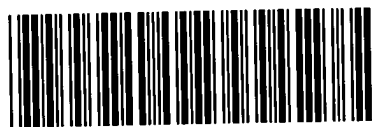


Company Registration No. 03242560 (England and Wales)

**NHI (CATERHAM) LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 AUGUST 2017**  
**PAGES FOR FILING WITH REGISTRAR**

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**NHI (CATERHAM) LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 AUGUST 2017**

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Investment properties	4	1,300,000		1,300,000	
<b>Current assets</b>					
Debtors	5	3,420		1,390	
Cash at bank and in hand		42,117		46,504	
		45,537		47,894	
<b>Creditors: amounts falling due within one year</b>	6	(18,388)		(20,180)	
<b>Net current assets</b>		27,149		27,714	
<b>Total assets less current liabilities</b>		1,327,149		1,327,714	
<b>Provisions for liabilities</b>	7	(138,669)		(150,103)	
<b>Net assets</b>		1,188,480		1,177,611	
<b>Capital and reserves</b>					
Called up share capital	8	558		558	
Share premium account		273,098		273,098	
Revaluation reserve	9	891,120		1,029,789	
Profit and loss reserves		23,704		(125,834)	
<b>Total equity</b>		1,188,480		1,177,611	

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 August 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

**NHI (CATERHAM) LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 31 AUGUST 2017**

The financial statements were approved by the board of directors and authorised for issue on 16/5/2018  
and are signed on its behalf by

  
L F Brady  
Director

# NHI (CATERHAM) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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### 1 Accounting policies

#### Company information

NHI (Caterham) Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is The Old Barn, The Square, Shipham, Winscombe, Somerset, BS25 1TN.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements are the first financial statements of NHI (Caterham) Limited prepared in accordance with FRS 102. The financial statements of NHI (Caterham) Limited for the year ended 31 August 2016 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in equity at the transition date and are detailed in note 12.

#### Turnover

Turnover represents the rent and investment income receivable.

Revenue from property rental is recognised in accordance with the terms of the lease. Investment income is recognised on the basis of income receivable for the year.

#### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% Straight Line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# NHI (CATERHAM) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

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### 1 Accounting policies (Continued)

#### **Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

#### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# NHI (CATERHAM) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

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### 1 Accounting policies (Continued)

#### Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2016 - 2).

# NHI (CATERHAM) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 3 Tangible fixed assets

	Plant and machinery £
<b>Cost</b>	
At 1 September 2016 and 31 August 2017	4,292
<b>Depreciation and impairment</b>	
At 1 September 2016 and 31 August 2017	4,292
<b>Carrying amount</b>	
At 31 August 2017	-
At 31 August 2016	-

### 4 Investment property

	2017 £
<b>Fair value</b>	
At 1 September 2016 and 31 August 2017	1,300,000

Freehold properties were valued by the directors on 31 August 2017 at £1,300,000 on the basis of an open market valuation for existing use. If the revalued properties were to be sold at this value then UK corporation tax would be payable on any gain arising. The directors estimate that the amount of tax that would be payable in these circumstances would be approximately £170,000 (2016: £170,000).

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2017 £	2016 £
Cost	270,211	270,211
Accumulated depreciation	-	-
Carrying amount	270,211	270,211

### 5 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	3,420	1,390

# NHI (CATERHAM) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 6 Creditors: amounts falling due within one year

	2017 £	2016 £
Corporation tax	5,964	8,124
Other creditors	12,424	12,056
	<u>18,388</u>	<u>20,180</u>

### 7 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	<u>138,669</u>	<u>150,103</u>

### 8 Called up share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid 558 Ordinary shares of £1 each	<u>558</u>	<u>558</u>
	<u>558</u>	<u>558</u>

### 9 Revaluation reserve

	2017 £	2016 £
At beginning of year	1,029,789	1,029,789
Transfer to retained earnings	(138,669)	-
At end of year	<u>891,120</u>	<u>1,029,789</u>

Deferred tax on fair value gains and losses has been recognised in the statement of comprehensive income and subsequently transferred to the revaluation reserve.

### 10 Control

No one shareholder has ultimate control over the company.

### 11 Directors' transactions

L F Brady, director, received dividends from the company during the year totalling £9,065 (2016: £9,958).



# NHI (CATERHAM) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 12 Reconciliations on adoption of FRS 102

#### Reconciliation of equity

		1 September 2015 £	31 August 2016 £
	Notes		
Equity as reported under previous UK GAAP		1,322,095	1,327,714
Adjustments arising from transition to FRS 102:			
Deferred tax on investment property	(i)	(168,406)	(150,103)
Equity reported under FRS 102		<u>1,153,689</u>	<u>1,177,611</u>

#### Reconciliation of profit for the financial period

		2016 £
	Notes	
Profit as reported under previous UK GAAP		32,496
Adjustments arising from transition to FRS 102:		
Deferred tax on investment property	(i)	18,303
Profit reported under FRS 102		<u>50,799</u>

#### Notes to reconciliations on adoption of FRS 102

##### (i) Deferred tax on investment property

Under FRS 102, fair value gains and losses are recognised in profit or loss and are subject to deferred tax (of £168,406 at 1 September 2015 and £166,781 at 31 August 2016) which has been recognised in the statement of comprehensive income and subsequently transferred to the revaluation reserve.