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Company Registration No. 04676103 (England and Wales)

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

TUESDAY



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SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

COMPANY INFORMATION

Directors	Mr M G Rhemtulla Mr S Rhemtulla Miss Y Rhemtulla
Secretary	Mr S Rhemtulla
Company number	04676103
Registered office	13-17 Rectory Road Rickmansworth Hertfordshire WD3 1FH
Auditor	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW
Business address	13-17 Rectory Road Rickmansworth Hertfordshire WD3 1FH

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

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SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present the strategic report for the year ended 31 March 2017.

Fair review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect growth in the foreseeable future.

The directors are satisfied with the results for the year ended 31 March 2017, which show a 21% rise in turnover compared to the year ended 31 March 2016. This is in line with expectations due to 12 new rooms being in operation for the year. Gross margins have increased by 4.61% in comparison to prior year.

Principal risks and uncertainties

The principal risks and uncertainties facing Seymour House Residential Care Homes Limited are liquidity risk and exposure to an uncertain labour market due to Brexit. The board reviews and agrees policies for managing each of these risks and they are summarised below:

Liquidity risk

Liquidity risk arises in relation to the company's management of working capital and the possibility that the company will encounter difficulties in meeting financial obligations as and when they fall due. To minimise this risk, the liquidity position and ongoing working capital requirements are regularly reviewed by the directors.

Exposure to an uncertain economy

The company employs several employees from European countries, and the move towards exiting the European Union poses a risk for the company in terms of retaining employees. Company management focus on employing highly skilled employees, and will monitor and respond to any changes faced from Brexit.

Development and performance

The company is in a strong financial position at the balance sheet date with reserves of over £2.5m. The directors hope to improve further on the financial position of the company, in order to increase growth and enhance reported results in future years.

Other performance indicators

The Key Performance Indicators of Seymour House Residential Care Homes Limited over the last two years are detailed below:

	2017	2016
Turnover (GBP £'000)	2,250	1,859
Gross profit %	43.67	39.06
Net profit %	19.80	11.62

Both net and gross profit percentages have improved as compared to previous year.

On behalf of the board



Mr S Rhemtulla

Director

20/10/17

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present their annual report and financial statements for the year ended 31 March 2017.

Principal activities

The principal activity of the company continued to be that of operating a residential care home.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr M G Rhemtulla
Mr S Rhemtulla
Miss Y Rhemtulla

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

The auditor, RDP Newmans LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditor are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr S Rhemtulla

Director

20.10.17.

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2017

The directors are responsible for preparing the annual 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 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 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.

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

We have audited the financial statements of Seymour House Residential Care Homes Limited for the year ended 31 March 2017 set out on pages 6 to 21. 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), including Financial Reporting Standard 102.

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 Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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 company's affairs as at 31 March 2017 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 matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

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.



Riki Gangola FCA (Senior Statutory Auditor)
for and on behalf of RDP Newmans LLP

20/10/17

Chartered Accountants
Statutory Auditor

Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
Turnover	3	2,249,641	1,859,386
Cost of sales		(1,267,210)	(1,133,198)
Gross profit		982,431	726,188
Administrative expenses		(338,306)	(350,664)
Operating profit		644,125	375,524
Interest receivable and similar income	6	8	24
Interest payable and similar expenses	7	(80,324)	(89,620)
Profit before taxation		563,809	285,928
Taxation	8	(118,491)	(69,812)
Profit for the financial year		445,318	216,116

The profit and loss account has been prepared on the basis that all operations are continuing operations.

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	£	£
Profit for the year	445,318	216,116
Other comprehensive income	-	-
Total comprehensive income for the year	<u>445,318</u>	<u>216,116</u>

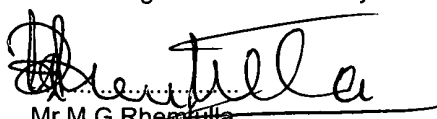
SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

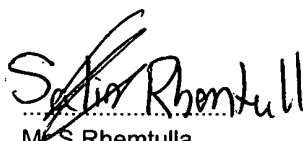
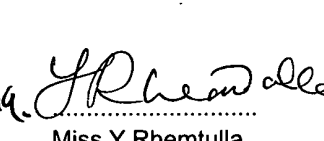
BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	10		6,581,030		6,707,787
Current assets					
Debtors	12	20,862		16,601	
Cash at bank and in hand		1,587,459		1,601,936	
		<u>1,608,321</u>		<u>1,618,537</u>	
Creditors: amounts falling due within one year	13	<u>(2,247,666)</u>		<u>(2,680,257)</u>	
Net current liabilities			<u>(639,345)</u>		<u>(1,061,720)</u>
Total assets less current liabilities			5,941,685		5,646,067
Creditors: amounts falling due after more than one year	14		<u>(3,374,086)</u>		<u>(3,506,275)</u>
Provisions for liabilities	17		<u>(55,785)</u>		<u>(73,296)</u>
Net assets			<u>2,511,814</u>		<u>2,066,496</u>
Capital and reserves					
Called up share capital	19		999		999
Profit and loss reserves			<u>2,510,815</u>		<u>2,065,497</u>
Total equity			<u>2,511,814</u>		<u>2,066,496</u>

The financial statements were approved by the board of directors and authorised for issue on 20/10/17 and are signed on its behalf by:


Mr M G Rhemtulla
Director

 
Mr S Rhemtulla
Director

Miss Y Rhemtulla
Director

Company Registration No. 04676103

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2015	999	1,849,381	1,850,380
Year ended 31 March 2016:			
Profit and total comprehensive income for the year	-	216,116	216,116
Balance at 31 March 2016	999	2,065,497	2,066,496
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	445,318	445,318
Balance at 31 March 2017	999	2,510,815	2,511,814

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash generated from operations	22	311,378		608,081	
Interest paid		(80,324)		(89,620)	
Income taxes paid		(48,584)		(96,742)	
Net cash inflow from operating activities		<u>182,470</u>		<u>421,719</u>	
Investing activities					
Purchase of tangible fixed assets		(67,913)		(407,923)	
Interest received		8		24	
Net cash used in investing activities		<u>(67,905)</u>		<u>(407,899)</u>	
Financing activities					
Repayment of bank loans		(129,042)		(123,945)	
Net cash used in financing activities		<u>(129,042)</u>		<u>(123,945)</u>	
Net decrease in cash and cash equivalents		<u>(14,477)</u>		<u>(110,125)</u>	
Cash and cash equivalents at beginning of year		1,601,936		1,712,061	
Cash and cash equivalents at end of year		<u><u>1,587,459</u></u>		<u><u>1,601,936</u></u>	

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Seymour House Residential Care Homes Limited is a private company limited by shares incorporated in England and Wales. The registered office is 13-17 Rectory Road, Rickmansworth, Hertfordshire, WD3 1FH.

1.1 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.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued support of the company's shareholder and its creditors.

If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for further liabilities that might arise and to reclassify fixed assets as current assets.

1.3 Turnover

Turnover represents amounts receivable for services provided and is stated after trade discounts.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 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:

Freehold building	2% straight line method
Computer equipment	33.3% reducing balance method
Fixtures, fittings and equipment	15% reducing balance method

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.

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets 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.

1.7 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 in the company's balance sheet 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 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the 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.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017 £	2016 £
Turnover		
Fees	2,249,641	1,859,386

Other significant revenue

Interest income	8	24
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Turnover analysed by geographical market

	2017 £	2016 £
UK income	2,249,641	1,859,386

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2017 Number	2016 Number
66	54

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

4 Employees

(Continued)

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	1,121,276	996,267
Social security costs	84,859	77,192
	<u>1,206,135</u>	<u>1,073,459</u>

5 Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services	<u>30,040</u>	<u>29,023</u>

6 Interest receivable and similar income

	2017 £	2016 £
Interest income		
Other interest income	<u>8</u>	<u>24</u>

7 Interest payable and similar expenses

	2017 £	2016 £
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	<u>80,324</u>	<u>89,620</u>

8 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	136,007	48,581
Adjustments in respect of prior periods	(5)	(68)
Total current tax	<u>136,002</u>	<u>48,513</u>
Deferred tax		
Origination and reversal of timing differences	<u>(17,511)</u>	<u>21,299</u>
Total tax charge	<u>118,491</u>	<u>69,812</u>

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

8 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	563,809	285,928
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	112,762	57,186
Tax effect of expenses that are not deductible in determining taxable profit	38,837	40,368
Permanent capital allowances in excess of depreciation	(15,592)	(48,973)
Other permanent differences	(5)	(68)
Deferred taxation movement in year	(17,511)	21,299
Taxation charge for the year	118,491	69,812

9 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2016 and 31 March 2017	120,000
Amortisation and impairment	
At 1 April 2016 and 31 March 2017	120,000
Carrying amount	
At 31 March 2017	-
At 31 March 2016	-

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

10 Tangible fixed assets

	Freehold building	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 April 2016	6,619,111	272,054	803,271	7,694,436
Additions	5,855	29,003	33,055	67,913
Disposals	-	(4,120)	(1,028)	(5,148)
At 31 March 2017	6,624,966	296,937	835,298	7,757,201
Depreciation and impairment				
At 1 April 2016	366,141	110,407	510,101	986,649
Depreciation charged in the year	81,923	63,385	48,877	194,185
Eliminated in respect of disposals	-	(3,826)	(837)	(4,663)
At 31 March 2017	448,064	169,966	558,141	1,176,171
Carrying amount				
At 31 March 2017	6,176,902	126,971	277,157	6,581,030
At 31 March 2016	6,252,970	161,647	293,170	6,707,787

In the opinion of the directors, land and building includes £2,750,000 (2016: £2,750,000) relating to freehold land which is not depreciated.

11 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	7,683	4,371
Carrying amount of financial liabilities		
Measured at amortised cost	5,462,561	6,116,991

12 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	7,683	4,371
Prepayments and accrued income	13,179	12,230
	20,862	16,601

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

13 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	15	130,083	126,936
Trade creditors		564	4,506
Corporation tax		135,999	48,581
Other taxation and social security		23,192	20,960
Other creditors		1,940,935	2,463,440
Accruals and deferred income		16,893	15,834
		<u>2,247,666</u>	<u>2,680,257</u>

14 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	15	<u>3,374,086</u>	<u>3,506,275</u>

15 Loans and overdrafts

	2017 £	2016 £
Bank loans	<u>3,504,169</u>	<u>3,633,211</u>
Payable within one year	130,083	126,936
Payable after one year	<u>3,374,086</u>	<u>3,506,275</u>

The bank loans are secured by charges over the assets of the company.

16 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	17	<u>55,785</u>	<u>73,296</u>
		<u>55,785</u>	<u>73,296</u>

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

17 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
Accelerated capital allowances	55,785	73,296
Movements in the year:		2017 £
Liability at 1 April 2016		73,296
Credit to profit or loss		(17,511)
Liability at 31 March 2017		55,785

18 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	-	1,690

19 Share capital

	2017 £	2016 £
Issued and fully paid		
999 Ordinary shares of £1 each	999	999

20 Directors' transactions

Included within other creditors is an amount of £1,842,137 (2016: £2,359,598) due to the directors of the company.

SEYMOUR HOUSE RESIDENTIAL CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

21 Controlling party

The company's immediate and ultimate parent undertaking is Seymour House Investments Limited. The company's registered office is 13-17 Rectory Road, Rickmansworth, Hertfordshire, WD3 1FH and is incorporated in England and Wales. The largest and smallest group in which the results of the company are consolidated is that headed by Seymour House Investments Limited.

The ultimate controlling interest is equally held by Mr M Rhemtulla, Mr S Rhemtulla and Miss Y Rhemtulla.

22 Cash generated from operations

	2017 £	2016 £
Profit for the year after tax	445,318	216,116
Adjustments for:		
Taxation charged	118,491	69,812
Finance costs	80,324	89,620
Investment income	(8)	(24)
Loss on disposal of tangible fixed asset	485	83
Depreciation and impairment of tangible fixed assets	194,185	201,759
Movements in working capital:		
(Increase)/decrease in debtors	(4,261)	5,540
(Decrease)/increase in creditors	(523,156)	25,175
Cash generated from operations	311,378	608,081