

Company registration number: 07378111

Thornton Lodge Care Limited

Unaudited filleted financial statements

31 March 2019

Thornton Lodge Care Limited

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Thornton Lodge Care Limited

Directors and other information

Directors	Mr Rodney Harold Taylor Mrs Karen Mary Taylor
Company number	07378111
Registered office	43-47 Thornton Road Morecambe Lancashire LA4 5PD
Business address	43-47 Thornton Road Morecambe LA4 5PD
Accountants	Paul Clegg & Company Riverside Offices 26 St George's Quay Lancaster Lancashire LA1 1RD

Bankers

Barclays Bank plc
38 Market Street
Lancaster
LA1 1HS

Thornton Lodge Care Limited

Chartered accountants report to the board of directors on the preparation of the unaudited statutory financial statements of Thornton Lodge Care Limited

Year ended 31 March 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Thornton Lodge Care Limited for the year ended 31 March 2019 which comprise the statement of financial position and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Thornton Lodge Care Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Thornton Lodge Care Limited and state those matters that we have agreed to state to the board of directors of Thornton Lodge Care Limited as a body, in this report in accordance with the ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Thornton Lodge Care Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Thornton Lodge Care Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Thornton Lodge Care Limited. You consider that Thornton Lodge Care Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Thornton Lodge Care Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Paul Clegg & Company

Riverside Offices

26 St George's Quay

Lancaster

Lancashire

LA1 1RD

31 October 2019

Thornton Lodge Care Limited

Statement of financial position

31 March 2019

		2019		2018	
	Note	£	£	£	£
Fixed assets					
Intangible assets	5	543,000		602,000	
Tangible assets	6	1,048,876		1,061,059	
		<u> </u>	1,591,876	<u> </u>	1,663,059
Current assets					
Stocks		3,000		3,000	
Debtors:					
Amounts falling due within one year	7	1,484,232		997,041	
Cash at bank and in hand		478		603	
		<u> </u>		<u> </u>	
		1,487,710		1,000,644	
Creditors: amounts falling due within one year	8	(789,157)		(607,377)	
		<u> </u>		<u> </u>	
Net current assets			698,553		393,267
			<u> </u>		<u> </u>
Total assets less current liabilities			2,290,429		2,056,326
Creditors: amounts falling due after more than one year	9		(608,997)		(643,879)
Provisions for liabilities			(52,909)		(52,010)
			<u> </u>		<u> </u>
Net assets			1,628,523		1,360,437
			<u> </u>		<u> </u>
Capital and reserves					
Called up share capital			100		100
Profit and loss account			1,628,423		1,360,337
			<u> </u>		<u> </u>
Shareholders funds			1,628,523		1,360,437
			<u> </u>		<u> </u>

For the year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- 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 and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 24 October 2019 , and are signed on behalf of the board by:

Mr Rodney Harold Taylor

Director

Company registration number: 07378111

Thornton Lodge Care Limited

Notes to the financial statements

Year ended 31 March 2019

1. General information

The company is a private company limited by shares, registered in England. The address of the registered office is Thornton Lodge Care Limited, 43-47 Thornton Road, Morecambe, Lancashire, LA4 5PD.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for services rendered, net of discounts and Value Added Tax.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

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

Goodwill	- 3 to 20 years
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Freehold property	- 50 years
Fittings fixtures and equipment	- 15 % reducing balance
Motor vehicles	- 25 % reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

Share-based payments

Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity. This is based upon the company's estimate of the shares or share options that will eventually vest which takes into account all vesting conditions and non-market performance conditions, with adjustments being made where new information indicates the number of shares or share options expected to vest differs from previous estimates. Fair value is determined using an appropriate pricing model. All market conditions and non-vesting conditions are taken into account when estimating the fair value of the shares or share options. As long as all other vesting conditions are satisfied, no adjustment is made irrespective of whether market or non-vesting conditions are met. Where the terms of an equity-settled transaction are modified, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the fair value of the transaction, as measured at the date of modification. Where an equity-settled transaction is cancelled or settled, it is treated as if it had vested on the date of cancellation or settlement, and any expense not yet recognised in profit or loss is expensed immediately. Cash-settled share-based payment transactions are measured at the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 77 (2018: 75).

5. Intangible assets

	Goodwill £	Total £
Cost		
At 1 April 2018 and 31 March 2019	1,135,000	1,135,000
Amortisation		
At 1 April 2018	533,000	533,000
Charge for the year	59,000	59,000
At 31 March 2019	592,000	592,000
Carrying amount		
At 31 March 2019	543,000	543,000
At 31 March 2018	602,000	602,000

6. Tangible assets

	Freehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 April 2018	845,861	398,638	29,100	3,951	1,277,550
Additions	-	49,323	-	855	50,178
Disposals	-	(678)	-	-	(678)
At 31 March 2019	845,861	447,283	29,100	4,806	1,327,050
Depreciation					
At 1 April 2018	58,539	133,557	22,288	2,107	216,491
Charge for the year	16,917	42,034	1,703	1,499	62,153
Disposals	-	(470)	-	-	(470)
At 31 March 2019	75,456	175,121	23,991	3,606	278,174
Carrying amount					
At 31 March 2019	770,405	272,162	5,109	1,200	1,048,876
At 31 March 2018	787,322	265,081	6,812	1,844	1,061,059

7. Debtors

Debtors falling due within one year are as follows:

	2019	2018
	£	£
Trade debtors	268,888	116,002
Other debtors	1,215,344	881,039
	<u>1,484,232</u>	<u>997,041</u>

8. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	279,546	189,412
Trade creditors	96,288	133,783
Corporation tax	171,316	34,068
Social security and other taxes	25,183	45,190
Other creditors	216,824	204,924
	<u>789,157</u>	<u>607,377</u>

9. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Other creditors	608,997	643,879

10. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	£	£
Not later than 1 year	98,359	81,651
Later than 1 year and not later than 5 years	349,567	314,019
Later than 5 years	115,095	145,472
	<hr/>	<hr/>
	563,021	541,142
	<hr/>	<hr/>

11. Charge on assets

There is a fixed charge on all properties which is held by the company's bankers Barclays Bank PLC. Barclays Bank PLC also holds a general debenture over all assets of the company. There is also a limited guarantee from the directors to Barclays Bank PLC.

12. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2019

	Balance brought forward £	Advances /(credits) to the directors £	Amounts repaid £	Balance o/standing £
Mr Rodney Harold Taylor	(12,088)	175,210	(34,358)	128,764
Mrs Karen Mary Taylor	(12,207)	148,982	(8,424)	128,351
	<u>(24,295)</u>	<u>324,192</u>	<u>(42,782)</u>	<u>257,115</u>

2018

	Balance brought forward £	Advances /(credits) to the directors £	Amounts repaid £	Balance o/standing £
Mr Rodney Harold Taylor	80,837	460,258	(553,183)	(12,088)
Mrs Karen Mary Taylor	80,837	202,079	(295,123)	(12,207)
	<u>161,674</u>	<u>662,337</u>	<u>(848,306)</u>	<u>(24,295)</u>

13. Related party transactions

Included within debtors are balances due from connected parties, totalling £870,136 (2018 - £856,176).

14. Controlling party

The company is controlled by the directors.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.