

Company Registration No. 05697610 (England and Wales)

DRS CARE HOMES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR

DRS CARE HOMES LIMITED

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DRS CARE HOMES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

		December 2019		March 2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		1,317,174		1,232,111
Investments	5		1		1
			<u>1,317,175</u>		<u>1,232,112</u>
Current assets					
Debtors	6	3,446,404		3,200,107	
Cash at bank and in hand		470		228,530	
		<u>3,446,874</u>		<u>3,428,637</u>	
Creditors: amounts falling due within one year	7	(222,704)		(93,605)	
Net current assets			<u>3,224,170</u>		<u>3,335,032</u>
Total assets less current liabilities			4,541,345		4,567,144
Creditors: amounts falling due after more than one year	8		(32,109)		(46,421)
Provisions for liabilities			<u>(38,629)</u>		<u>(26,727)</u>
Net assets			<u>4,470,607</u>		<u>4,493,996</u>
Capital and reserves					
Called up share capital	9		2		2
Revaluation reserve			86,043		86,043
Profit and loss reserves			<u>4,384,562</u>		<u>4,407,951</u>
Total equity			<u>4,470,607</u>		<u>4,493,996</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial period ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

DRS CARE HOMES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The financial statements were approved by the board of directors and authorised for issue on 31 July 2020 and are signed on its behalf by:

Mrs R Datoo
Director

Mrs N McDonald
Director

Company Registration No. 05697610

DRS CARE HOMES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2019

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 April 2018	2	-	3,851,611	3,851,613
Period ended 31 March 2019:				
Profit for the period	-	-	556,340	556,340
Other comprehensive income:				
Revaluation of tangible fixed assets	-	86,043	-	86,043
Total comprehensive income for the period	-	86,043	556,340	642,383
Balance at 31 March 2019	2	86,043	4,407,951	4,493,996
Period ended 31 December 2019:				
Loss and total comprehensive income for the period	-	-	(23,389)	(23,389)
Balance at 31 December 2019	2	86,043	4,384,562	4,470,607

DRS CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

DRS Care Homes Limited is a private company limited by shares incorporated in England and Wales. The registered office is 45 Pembury Road, Tottenham, London, N17 6SS.

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 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, 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 Reporting period

The current figures represent a nine month period. This is to bring the year end in line with related companies. As such, the comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

1.3 Turnover

Turnover is recognised at the fair value of the consideration receivable for services provided in the normal course of business.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

1.5 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 land and buildings	2% per annum on cost
Leasehold land and buildings	10% per annum on cost
Plant and equipment	25% reducing balance
Fixtures and fittings	25% reducing balance
Computer equipment	25% per annum on cost
Motor vehicles	25% reducing balance

Freehold land is not depreciated.

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.

DRS CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 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).

1.8 Cash at bank and in hand

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.

1.9 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, loans to fellow related and group companies and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow related companies 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.

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.

DRS CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 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 liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 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.

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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

DRS CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 40 (March 2019 - 44).

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 April 2019 and 31 December 2019	250,000
	<hr/>
Amortisation and impairment	
At 1 April 2019 and 31 December 2019	250,000
	<hr/>
Carrying amount	
At 31 December 2019	-
	<hr/> <hr/>
At 31 March 2019	-
	<hr/> <hr/>

DRS CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2019

4 Tangible fixed assets		Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computer equipment	Motor vehicles	Total
Cost or valuation		£	£	£	£	£	£	£
At 1 April 2019		792,075	466,511	837,804	-	590	129,576	2,226,556
Additions		-	173,555	843	29,093	6,137	-	209,628
Transfers		-	-	(33,666)	-	-	-	(33,666)
At 31 December 2019		792,075	640,066	804,981	29,093	6,727	129,576	2,402,518
Depreciation and impairment								
At 1 April 2019		36,079	284,497	619,667	-	86	54,116	994,445
Depreciation charged in the period		11,908	39,227	37,371	2,490	483	14,149	105,628
Transfers		-	-	(14,729)	-	-	-	(14,729)
At 31 December 2019		47,987	323,724	642,309	2,490	569	68,265	1,085,344
Carrying amount								
At 31 December 2019		744,088	316,342	162,672	26,603	6,158	61,311	1,317,174
At 31 March 2019		755,996	182,014	218,137	-	504	75,460	1,232,111

DRS CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

4 Tangible fixed assets

(Continued)

The fair value of the freehold property has been arrived at on the basis of a valuation carried out on 20 September 2019 by Fifield Glyn, a firm of chartered surveyors. The valuation was made on an open market value basis by reference to a number of sales of similar sized properties at around the date of the valuation.

The directors, by taking into consideration the market conditions, believe that the fair value of the freehold property on 31 December 2019 was not materially different by comparison to the above valuation.

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

	December 2019	March 2019
	£	£
Cost	590,000	590,000
Accumulated depreciation	(87,843)	(81,943)
	<u> </u>	<u> </u>
Carrying value	502,157	508,057
	<u> </u>	<u> </u>

5 Fixed asset investments

December 2019 March 2019

	£	£
Investments	1	1
	<u> </u>	<u> </u>

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 April 2019 & 31 December 2019	1
	<u> </u>
Carrying amount	
At 31 December 2019	1
	<u> </u>
At 31 March 2019	1
	<u> </u>

DRS CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

6 Debtors

	December 2019	March 2019
	£	£
Amounts falling due within one year:		
Trade debtors	274,721	234,542
Amounts owed by group undertakings	130,792	149,766
Other debtors	3,040,891	2,815,799
	<u>3,446,404</u>	<u>3,200,107</u>

7 Creditors: amounts falling due within one year

	December 2019	March 2019
	£	£
Bank loans and overdrafts	87,231	-
Trade creditors	17,261	2,072
Corporation tax	16,230	12,941
Other taxation and social security	74,161	46,174
Other creditors	27,821	32,418
	<u>222,704</u>	<u>93,605</u>

8 Creditors: amounts falling due after more than one year

	December 2019	March 2019
	£	£
Other creditors	<u>32,109</u>	<u>46,421</u>

9 Called up share capital

	December 2019	March 2019
	£	£
Ordinary share capital		
Issued and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

10 Events after the reporting date

As part of a group reorganisation, the company became a wholly owned subsidiary of DRS Care Holdings Limited on 28 January 2020.

DRS CARE HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

11 Directors' transactions

Loans have been granted by the company to its director as follows:

Description	% Rate	Opening balance £	Interes charged £	Amounts repaid £	Closing balance £
Director's loan account	2.50	525,913	6,574	(532,487)	-
		<u>525,913</u>	<u>6,574</u>	<u>(532,487)</u>	<u>-</u>

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.