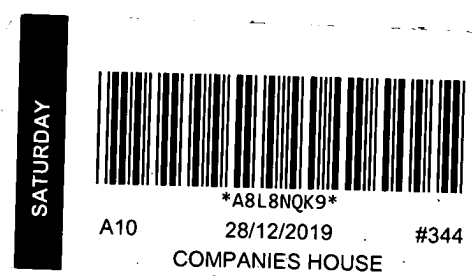


Greenleigh Care Home Limited
Filleted Abridged Financial Statements
31 March 2019



PLANT & CO LIMITED

Chartered Accountants & Statutory Auditor
17 Lichfield Street
Stone
Staffordshire
ST15 8NA

Greenleigh Care Home Limited

Statement of Financial Position

31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	6	902,392	892,203
Current assets			
Debtors	7	769,944	549,561
Cash at bank and in hand		77,486	36,324
		<u>847,430</u>	<u>585,885</u>
Creditors: amounts falling due within one year	8	<u>250,349</u>	<u>211,801</u>
Net current assets		<u>597,081</u>	<u>374,084</u>
Total assets less current liabilities		<u>1,499,473</u>	<u>1,266,287</u>
Creditors: amounts falling due after more than one year	9	723,955	698,021
Provisions			
Taxation including deferred tax		5,700	(238)
Net assets		<u>769,818</u>	<u>568,504</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		769,718	568,404
Shareholders funds		<u>769,818</u>	<u>568,504</u>

These abridged 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 abridged statement of income and retained earnings has not been delivered.

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

All of the members have consented to the preparation of the abridged statement of income and retained earnings for the year ending 31 March 2019 in accordance with Section 444(2A) of the Companies Act 2006.

The statement of financial position
continues on the following page.

The notes on pages 3 to 8 form part of these abridged financial statements.

Greenleigh Care Home Limited

Statement of Financial Position *(continued)*

31 March 2019

These abridged financial statements were approved by the board of directors and authorised for issue on 20 December 2019, and are signed on behalf of the board by:



Mr. P M Cooke
Director

Company registration number: 08742365

The notes on pages 3 to 8 form part of these abridged financial statements.

Greenleigh Care Home Limited

Notes to the Abridged Financial Statements

Year ended 31 March 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Wellington House, 120 Wellington Road, Dudley, West Midlands, DY1 1UB.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the normal course of business.

Trade debtors are recognised initially at transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the normal course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the year end, to defer settlement of the creditor for at least twelve months after the year end. If there is an unconditional right to defer settlement for at least twelve months after the year end, they are presented as non-current liabilities.

Trade creditors are recognised initially at transaction price. They are subsequently measured at amortised cost using the effective interest method.

Greenleigh Care Home Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2019

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. The items in the financial statements where these judgements and estimates have been noted below;

The directors have considered the repayment terms of the loan balances with other group companies and believe that they should be treated in the accounts as due for repayment within 12 months. The loans are repayable on demand and are interest free. The net carrying amount owing by other group companies at the year end was £688,460 (2018 £528,581).

The directors make an estimate of the recoverable amount owed by debtors. When assessing impairment of debtors, the directors assess the aging of the debt and historical experience. Due to the debtors primarily being Local Authorities, the directors do not believe that an impairment reserve is appropriate at the year end (2018 £nil).

The directors make an estimate of the rate of depreciation applicable to freehold property using their best judgement of residual value and the useful life of the asset, which is deemed to be fifty years.

These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

The Company recognises turnover when it can be reliably measured, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for Company's activity. The Company provides care home services and recognises turnover when the service has been delivered to the residents. The Company bases its estimate of return on historical results, taking into consideration the type of customer and the conditions of the service level agreement.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, 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.

Greenleigh Care Home Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and 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 equity, 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 equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity 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	- 2% straight line
Fixtures and Fittings	- 25% straight line

Impairment of fixed assets

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.

For the purposes of impairment testing, 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 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.

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.

Greenleigh Care Home Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Provisions *(continued)*

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 as a finance cost in profit or loss in the period it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 41 (2018: 43).

5. Tax on profit

Major components of tax expense

	2019 £	2018 £
Current tax:		
UK current tax expense	45,750	55,804
Deferred tax:		
Origination and reversal of timing differences	5,938	(134)
Tax on profit	<u>51,688</u>	<u>55,670</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2018: lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

	2019 £	2018 £
Profit on ordinary activities before taxation	253,002	316,027
Profit on ordinary activities by rate of tax	48,071	60,045
Effect of capital allowances and depreciation	(2,321)	3,956
Effect of revenue exempt from tax	—	(8,197)
Deferred tax movement in the year	5,938	(134)
Tax on profit	<u>51,688</u>	<u>55,670</u>

Greenleigh Care Home Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2019

6. Tangible assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 April 2018	952,040	22,770	974,810
Additions	—	37,247	37,247
At 31 March 2019	952,040	60,017	1,012,057
Depreciation			
At 1 April 2018	69,816	12,791	82,607
Charge for the year	19,041	8,017	27,058
At 31 March 2019	88,857	20,808	109,665
Carrying amount			
At 31 March 2019	863,183	39,209	902,392
At 31 March 2018	882,224	9,979	892,203

HSBC Bank Plc hold a 1st Legal Charge over the property known as Greenleigh, 219 Wolverhampton Road, Sedgley, Dudley DY3 1QR. This was created on 24 October 2018.

7. Debtors

	2019 £	2018 £
Trade debtors	12,030	10,946
Amounts owed by group undertakings and undertakings in which the company has a participating interest	755,486	536,113
Other debtors	2,428	2,502
	769,944	549,561

8. Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	38,750	41,985
Trade creditors	2,309	14,827
Amounts owed to group undertakings and undertakings in which the company has a participating interest	67,027	7,532
Corporation tax	101,555	109,094
Social security and other taxes	8,919	9,392
Other creditors	31,789	28,971
	250,349	211,801

Greenleigh Care Home Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2019

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

	2019	2018
	£	£
Bank loans and overdrafts	<u>723,955</u>	<u>698,021</u>

Included within creditors: amounts falling due after more than one year is an amount of £568,955 (2018: £505,083) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The final instalment for the bank loan falls on 17 December 2038. The interest rate is variable and linked to the bank base rate.

HSBC Bank Plc holds an unlimited Debenture dated 4 October 2018, incorporating a fixed and floating charge.

10. Events after the end of the reporting period

There were no material events up to 20 December 2019, being the date of the approval of the financial statements by the Board.

11. Summary audit opinion

The auditor's report for the year dated 20 December 2019 was unqualified.

The senior statutory auditor was Peter Plant BA FCA, for and on behalf of Plant & Co Limited.

12. Related party transactions

The company has used the exemption granted under FRS 102 section 33.1A, being that related party disclosures do not need to be given of transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member.

13. Controlling party

The parent undertaking of the largest and smallest group within which the Company belongs and for which group accounts are prepared is Select Health Care Limited, a company registered in England and Wales. Consolidated financial statements are available from Companies House at www.companieshouse.gov.uk.