

**CASTLEGATE HOUSE REST HOME LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 30 APRIL 2019**

**BALANCE SHEET**  
**AS AT 30 APRIL 2019**

	<b>Note</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
<b>Fixed assets</b>			
Tangible fixed assets	4	689	1,255
<b>Current assets</b>			
Stocks		1,000	1,000
Debtors: amounts falling due within one year	5	1,181,276	1,157,510
Cash at bank and in hand	6	30,727	12,679
		<u>1,213,003</u>	<u>1,171,189</u>
Creditors: amounts falling due within one year	7	(81,280)	(64,528)
<b>Net current assets</b>		<u>1,131,723</u>	<u>1,106,661</u>
<b>Total assets less current liabilities</b>		<u>1,132,412</u>	<u>1,107,916</u>
<b>Net assets</b>		<u><u>1,132,412</u></u>	<u><u>1,107,916</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	1,000	1,000
Profit and loss account		1,131,412	1,106,916
		<u><u>1,132,412</u></u>	<u><u>1,107,916</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 April 2020.

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**P Warren-Gray**

Director

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2019**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
At 1 May 2018	1,000	1,106,916	1,107,916
<b>Comprehensive income for the year</b>			
Profit for the year	-	24,496	24,496
<b>Total comprehensive income for the year</b>	-	24,496	24,496
<b>At 30 April 2019</b>	<b>1,000</b>	<b>1,131,412</b>	<b>1,132,412</b>

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2018**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
At 1 May 2017	1,000	1,092,944	1,093,944
<b>Comprehensive income for the year</b>			
Profit for the year	-	13,972	13,972
<b>Other comprehensive income for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	13,972	13,972
<b>Total transactions with owners</b>	-	-	-
<b>At 30 April 2018</b>	<b>1,000</b>	<b>1,106,916</b>	<b>1,107,916</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019**

**1. General information**

Castlegate House Rest Home Limited is a private company incorporated in England and Wales. The Company's registered office is MPS Administration Office No. 6 & 7 Key Point Office Village, Nix's Hill, Alfreton, Derbyshire, DE55 7FQ. The Company's registration number is 01844693. Its principal activity is the provision of care services.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements have been prepared in sterling.

The following principal accounting policies have been applied:

**2.2 Going concern**

The Directors believe that the Company's financial statements should be prepared on a going concern basis and have considered a period of twelve months from the date of approval of these financial statements.

Whilst the Company continues to trade profitably the Group by which it is owned is reliant on the continued support of the Bank, which has a cross corporate charge across all Group entities.

Additionally, subsequent to the year end, the outbreak of Covid 19 has had a significant effect on the global economy and at the date of signing the future consequences of the outbreak on the Group cannot be accurately predicted and nor can the long term position of the Group's bankers with regards to their ongoing support.

Notwithstanding the above after reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company had adequate resources to continue in operational existence for the foreseeable future. As such the Company continues to adopt the going concern basis in preparing its financial statements however acknowledges there is material uncertainty around this relating to factors outside of its control as noted above.

**2.3 Turnover**

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year to residents of the nursing home.

**2.4 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 50%
Plant and machinery	- 66.67%
Fixtures and fittings	- 66.67%
Office equipment	- 20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.10 Creditors

Short term creditors are measured at the transaction price.

3. Employees

The average monthly number of employees, including directors, during the year was 24 (2018 - 25).

4. Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>					
At 1 May 2018	2,172	9,896	3,761	987	16,816
Additions	-	580	-	-	580
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2019	2,172	10,476	3,761	987	17,396
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>					
At 1 May 2018	2,172	8,641	3,761	987	15,561
Charge for the year on owned assets	-	1,146	-	-	1,146
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2019	2,172	9,787	3,761	987	16,707
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>					
At 30 April 2019	<hr/> -	<hr/> 689	<hr/> -	<hr/> -	<hr/> 689
<b>At 30 April 2018</b>	<hr/> -	<hr/> 1,255	<hr/> -	<hr/> -	<hr/> 1,255

Cross guarantees to the bank exist over group assets to secure group borrowings. At the year end the group indebtedness to the bank totalled £18,414,382 (2018: £19,549,710).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019

5. Debtors

	2019 £	2018 £
Trade debtors	22,377	7,268
Amounts owed by group undertakings	1,155,263	1,134,816
Amounts owed by associated undertakings	-	12,000
Other debtors	300	-
Prepayments and accrued income	2,029	2,155
Deferred taxation	1,307	1,271
	<u>1,181,276</u>	<u>1,157,510</u>

6. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>30,727</u>	<u>12,679</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	28,162	17,539
Corporation tax	5,655	2,071
Other taxation and social security	3,612	3,245
Other creditors	143	197
Accruals and deferred income	43,708	41,476
	<u>81,280</u>	<u>64,528</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019

8. Deferred taxation

	2019 £
At beginning of year	1,271
Charged to profit or loss	36
<b>At end of year</b>	<b><u>1,307</u></b>

The deferred tax asset is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	1,260	1,271
Pension liability	47	-
	<b><u>1,307</u></b>	<b><u>1,271</u></b>

The amount of deferred tax expected to be reversed during next year is immaterial to the accounts.

9. Share capital

	2019 £	2018 £
<b>Authorised, allotted, called up and fully paid</b>		
1,000 (2018 - 1,000) Ordinary Shares shares of £1.00 each	<b><u>1,000</u></b>	<b><u>1,000</u></b>

10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the pension scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £3,014 (2018: £1,174). At the balance sheet date there were amounts outstanding to the pension fund of £202 (2018: £197).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019**

**11. Controlling party**

The Company's immediate parent company is MPS Care Limited by virtue of owning the entire issued share capital of the Company. The Company's ultimate parent company is MPS Care Group Limited, registered office:

No. 6&7 Key Point Office Village,

Nix's Hill,,

Alfreton,

Derbyshire,

DE55 7FQ

The ultimate controlling party is P Warren-Gray by virtue of owning the entire issued share capital of MPS Care Group Limited.

**12. Auditors' information**

The auditors' report on the financial statements for the year ended 30 April 2019 was unqualified. The audit report was signed on 29 April 2020 by James Delve (Senior statutory auditor) on behalf of Smith Cooper Audit Limited and included the following paragraph:

Material uncertainty relating to going concern

We draw attention to note 2.2 in the financial statements, which indicates that the uncertainty around the support of the Group's bank and the consequences of the outbreak of Covid 19. As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.