

REGISTERED NUMBER: 02135820 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

FOR

NEWFORD LTD.

NEWFORD LTD. (REGISTERED NUMBER: 02135820)

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FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2022

| | Notes | 30.9.22 £ | 30.9.21 £ |
|--|-------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 4 | 54,757 | 49,634 |
| CURRENT ASSETS | | | |
| Debtors | 5 | 365,736 | 467,594 |
| Cash at bank and in hand | | <u>304,597</u> | <u>174,689</u> |
| | | 670,333 | 642,283 |
| CREDITORS | | | |
| Amounts falling due within one year | 6 | <u>(398,986)</u> | <u>(366,824)</u> |
| NET CURRENT ASSETS | | <u>271,347</u> | <u>275,459</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 326,104 | 325,093 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 7 | - | (13,773) |
| PROVISIONS FOR LIABILITIES | | <u>(7,724)</u> | <u>(6,162)</u> |
| NET ASSETS | | <u>318,380</u> | <u>305,158</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | | 100 | 100 |
| Capital redemption reserve | | 1 | 1 |
| Retained earnings | | <u>318,279</u> | <u>305,057</u> |
| | | <u>318,380</u> | <u>305,158</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

STATEMENT OF FINANCIAL POSITION - continued
30 SEPTEMBER 2022

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 14 June 2023 and were signed on its behalf by:

H Sarwar - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1. STATUTORY INFORMATION

NEWFORD LTD. is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address are as below:

| | |
|---------------------------|--|
| Registered number: | 02135820 |
| Registered office: | C/o DPC Stone House, Stone Road Business Park Stone Road Stoke on Trent Staffordshire ST4 6SR |

The principal activity of the company was that of the operation of a residential nursing home and provision of residential nursing care.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. 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.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

As described in the accounting policies of the financial statements, depreciation of tangible assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take in to account actual asset lives and residual values as evidenced by disposals during the current and prior years.

Revenue recognition

The company operates a residential nursing home and provides residential nursing care. Turnover comprises the fees receivable or received from residents and is recognised in the period the services are provided.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.
Fixtures and fittings - 15% reducing balance

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.

Government grants

Due to the Covid-19 pandemic, the company has claimed various government backed grants. Grants are recognised as other income when received.

Financial instruments

A financial asset or a financial liability is recognised only when the entity 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.

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.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

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 cashgenerating 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.

Employee benefits

The company provides a range of benefits to employees.

Short term benefits, including holiday pay, are recognised as an expense in the profit and loss account in the period in which they are incurred.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 45 (2021 - 47) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022

4. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ |
|-----------------------|----------------------------------|
| COST | |
| At 1 October 2021 | 323,339 |
| Additions | 14,786 |
| At 30 September 2022 | <u>338,125</u> |
| DEPRECIATION | |
| At 1 October 2021 | 273,705 |
| Charge for year | 9,663 |
| At 30 September 2022 | <u>283,368</u> |
| NET BOOK VALUE | |
| At 30 September 2022 | <u>54,757</u> |
| At 30 September 2021 | <u>49,634</u> |

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 30.9.22 £ | 30.9.21 £ |
|---|----------------|----------------|
| Trade debtors | 99,949 | 195,744 |
| Other debtors | - | 396 |
| Amounts due from connected companies | 150,533 | 194,733 |
| Directors' loan accounts | 62,802 | 17,438 |
| Prepayments | <u>52,452</u> | <u>59,283</u> |
| | <u>365,736</u> | <u>467,594</u> |

Amounts due from connected companies are interest free, unsecured and repayable on demand.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 30.9.22 £ | 30.9.21 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 39,282 | 42,762 |
| Amounts owed to group undertakings | 172,338 | 3,522 |
| Tax | 64,139 | 126,133 |
| Social security and other taxes | 12,832 | 12,003 |
| Other creditors | 6,177 | 33,849 |
| Directors loan account | 26,975 | 81,975 |
| Accruals and deferred income | <u>77,243</u> | <u>66,580</u> |
| | <u>398,986</u> | <u>366,824</u> |

Amounts due to group companies are interest free, unsecured and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022
7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 30.9.22 | 30.9.21 |
|-----|----------|---------------|
| | £ | £ |
| Tax | <u>-</u> | <u>13,773</u> |

8. OTHER FINANCIAL COMMITMENTS

The amount of commitments, guarantees and contingencies is £15,778 (2021: £29,302)

9. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 September 2022 and 30 September 2021:

| | 30.9.22 | 30.9.21 |
|--------------------------------------|---------------|---------------|
| | £ | £ |
| H Sarwar | | |
| Balance outstanding at start of year | 17,438 | 72,438 |
| Amounts advanced | 84,000 | 73,180 |
| Amounts repaid | (38,636) | (128,180) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>62,802</u> | <u>17,438</u> |

By virtue of the loan account, a liability to taxation exists under S455 CTA 2010 in the sum of £21,196 which will be repaid or discharged when the loan is repaid. It is anticipated that loan will be repaid within nine months of the year end, and such, no provision for the taxation has been made.

10. EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no significant events up to the date of approval of the financial statements by the Board.

11. CONTROLLING PARTY

The company is a wholly owned subsidiary of Newford Holdings Limited, a company incorporated in England and Wales.

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.