

REGISTERED

Registered number: 03995132

SWEETTREE RETIREMENT COMMUNITIES LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2017

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SWEETTREE RETIREMENT COMMUNITIES LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2017

The director presents his report and the financial statements for the year ended 31 March 2017.

Director's responsibilities statement

The director is responsible for preparing the Director's report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that he gives a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity SweetTree Retirement Communities Limited continued to be that of a holding company.

The principal activity of the subsidiary company SweetTree Home Care Services Limited continued to be that of the provision of domiciliary care, nursing care, wellness service and related activities.

SWEETTREE RETIREMENT COMMUNITIES LIMITED

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

Business review and Principal Risks & Uncertainties

SweetTree Home Care Services was established in 2002 to provide clients with the highest quality care and support possible to facilitate people living in their own homes with dignity, independence and control over how they live their lives. To achieve this we offer clients a range of services designed to meet both general home care and specialist care and support needs. SweetTree's specialist service areas include: learning disabilities, brain injury & neurological conditions, palliative care and specialist dementia care.

SweetTree's mission statement details what our objectives are as a care provider. This reads: 'To assist our clients, team members and the wider community to achieve the highest quality of life possible through the provision of exceptional care and support; enhancing the wellbeing, growth and development of the individual and SweetTree as a service provider.'

Turnover for the year ended 31st March 2017 was £9,133,786, an increase of £349,742 over the previous year in which turnover was £8,784,044. This represents a 4% increase, which has been generated by growth across all of our services.

In the year significant investment has been made in building a first class Senior Leadership Team to drive forward our growth strategy for 2017/18. This has resulted in a net increase in office staff costs of £195,479 (11%) over the financial year. This investment in people has been mirrored by a significant investment in our infrastructure to further enhance the support we offer to our clients, their families and the community at large.

SweetTree Homecare Services continues to be dedicated to helping its clients and team members reach their full potential. We are continuing to build on our successes in delivering exceptional training opportunities to our care team members through the SweetTree Training Academy. Recruitment and retention of our staff is critical to ensuring stability and sustainability of our business in the longer term, so we are focused on making sure everyone has opportunities to grow and exceed their potential.

2016/17 has been another positive year for SweetTree. At a time when the industry around us still faces considerable challenge, SweetTree is continuing to invest in our team and services to ensure we remain the care provider and employer of choice within care sector.

I would like to take this opportunity to thank SweetTree's dedicated and highly professional team for all of their hard work and the commitment they show to changing the lives of those we look after.

Results and dividends

The profit for the year, after taxation, amounted to £126,227 (2016 - £38,734).

During the year dividends of £nil (2016: £20,000) were declared.

Director

The director who served during the year was:

B J Sweetbaum

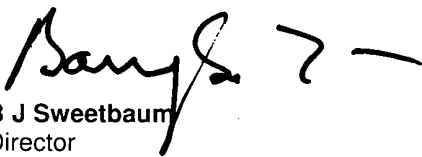
SWEETTREE RETIREMENT COMMUNITIES LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Auditors

The auditors, Elman Wall Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


B J Sweetbaum
Director

Date: 21/12/17

SWEETTREE RETIREMENT COMMUNITIES LIMITED
REGISTERED NUMBER: 03995132

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 £	Restated 2016 £
Fixed assets			
Intangible assets	4	675	810
Tangible assets	5	172,864	164,571
		<u>173,539</u>	<u>165,381</u>
Current assets			
Debtors: amounts falling due within one year	7	1,242,802	1,630,939
Cash at bank and in hand	8	275,720	112,921
		<u>1,518,522</u>	<u>1,743,860</u>
Creditors: amounts falling due within one year		<u>(755,980)</u>	<u>(1,105,978)</u>
Net current assets		<u>762,542</u>	<u>637,882</u>
Total assets less current liabilities		<u>936,081</u>	<u>803,263</u>
Provisions for liabilities			
Deferred taxation	10	<u>(22,760)</u>	<u>(16,169)</u>
		<u>(22,760)</u>	<u>(16,169)</u>
Net assets excluding pension asset		<u>913,321</u>	<u>787,094</u>
Net assets		<u><u>913,321</u></u>	<u><u>787,094</u></u>
Capital and reserves			
Called up share capital	11	225	225
Share premium account	12	299,925	299,925
Profit and loss account	12	613,171	486,944
Equity attributable to owners of the parent Company		<u>913,321</u>	<u>787,094</u>
		<u><u>913,321</u></u>	<u><u>787,094</u></u>

SWEETTREE RETIREMENT COMMUNITIES LIMITED
REGISTERED NUMBER: 03995132

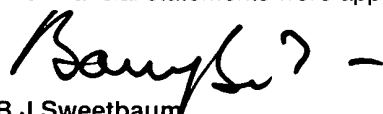
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2017

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 consolidated 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 by:


B J Sweetbaum
Director
Date: 21/12/17

The notes on pages 11 to 21 form part of these financial statements.

SWEETTREE RETIREMENT COMMUNITIES LIMITED
REGISTERED NUMBER: 03995132

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	6	1	1
		<u>1</u>	<u>1</u>
Current assets			
Debtors: amounts falling due within one year	7	324,513	344,513
		<u>324,513</u>	<u>344,513</u>
Creditors: amounts falling due within one year		(2,040)	(22,040)
		<u>(2,040)</u>	<u>(22,040)</u>
Net current assets		<u>322,473</u>	<u>322,473</u>
Total assets less current liabilities		<u>322,474</u>	<u>322,474</u>
Net assets excluding pension asset		<u>322,474</u>	<u>322,474</u>
Net assets		<u>322,474</u>	<u>322,474</u>
Capital and reserves			
Called up share capital	11	225	225
Share premium account	12	299,925	299,925
Profit and loss account brought forward		22,324	24,935
Profit for the year		-	17,389
Other changes in the profit and loss account		-	(20,000)
		<u>-</u>	<u>(20,000)</u>
Profit and loss account carried forward		<u>22,324</u>	<u>22,324</u>
		<u>322,474</u>	<u>322,474</u>

SWEETTREE RETIREMENT COMMUNITIES LIMITED
REGISTERED NUMBER: 03995132


COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2017

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 consolidated 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 by:


B J Sweetbaum

Director

Date: 21/12/17

The notes on pages 11 to 21 form part of these financial statements.

SWEETTREE RETIREMENT COMMUNITIES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 April 2016 (as previously stated)	225	299,925	591,429	891,579	891,579
Prior year adjustment	-	-	(104,485)	(104,485)	(104,485)
At 1 April 2016 (as restated)	225	299,925	486,944	787,094	787,094
Comprehensive income for the year					
Profit for the year	-	-	126,227	126,227	126,227
Total comprehensive income for the year	-	-	126,227	126,227	126,227
At 31 March 2017	225	299,925	613,171	913,321	913,321

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 April 2015	225	299,925	468,210	768,360	768,360
Comprehensive income for the year					
Profit for the year	-	-	38,734	38,734	38,734
Total comprehensive income for the year	-	-	38,734	38,734	38,734
Dividends: Equity capital	-	-	(20,000)	(20,000)	(20,000)
Total transactions with owners	-	-	(20,000)	(20,000)	(20,000)
At 31 March 2016	225	299,925	486,944	787,094	787,094

The notes on pages 11 to 21 form part of these financial statements.

SWEETTREE RETIREMENT COMMUNITIES LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2016	225	299,925	22,324	322,474
Total comprehensive income for the year	-	-	-	-
At 31 March 2017	<u>225</u>	<u>299,925</u>	<u>22,324</u>	<u>322,474</u>

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2015	225	299,925	24,935	325,085
Comprehensive income for the year				
Profit for the year	-	-	17,389	17,389
Total comprehensive income for the year	-	-	17,389	17,389
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(20,000)	(20,000)
Total transactions with owners	-	-	(20,000)	(20,000)
At 31 March 2016	<u>225</u>	<u>299,925</u>	<u>22,324</u>	<u>322,474</u>

The notes on pages 11 to 21 form part of these financial statements.

SWEETTREE RETIREMENT COMMUNITIES LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017**

	2017 £	Restated 2016 £
Cash flows from operating activities		
Profit for the financial year	126,227	38,734
Adjustments for:		
Amortisation of intangible assets	135	135
Depreciation of tangible assets	31,454	34,819
Impairments of fixed assets	-	911
Loss on disposal of tangible assets	2,953	-
Interest paid	2,536	-
Interest received	(566)	(46)
Taxation charge	13,135	38,835
Decrease/(increase) in debtors	388,158	(501,972)
Decrease in amounts owed by groups	-	327,124
(Decrease)/increase in creditors	(312,023)	295,480
Increase/(decrease) in amounts owed to groups	-	(327,124)
Corporation tax (paid)	(44,540)	(22,659)
Net cash generated from operating activities	<u>207,469</u>	<u>(115,763)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(42,700)	(4,050)
Interest received	566	46
Net cash from investing activities	<u>(42,134)</u>	<u>(4,004)</u>
Cash flows from financing activities		
Dividends paid	-	(20,000)
Interest paid	(2,536)	-
Net cash used in financing activities	<u>(2,536)</u>	<u>(20,000)</u>
Net increase/(decrease) in cash and cash equivalents	<u>162,799</u>	<u>(139,767)</u>
Cash and cash equivalents at beginning of year	112,921	252,688
Cash and cash equivalents at the end of year	<u>275,720</u>	<u>112,921</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	275,720	112,921
	<u>275,720</u>	<u>112,921</u>

SWEETTREE RETIREMENT COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

SweetTree Retirement Communities Limited is a private company limited by shares which is incorporated in England. The address of the registered office is given in the company information page of these financial statements. The principal activity of the company is that of a holding company.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2014.

2.3 Revenue

Turnover represents amounts receivable for care related services.

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Trademarks	-	10 : years
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies (continued)

2.5 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, on a reducing balance basis.

Depreciation is provided on the following basis:

Leasehold improvements	- 20 years straight line
Plant and machinery	- 25% reducing balance
Motor vehicles	- 20% reducing balance
Fixtures and fittings	- 25% reducing balance
Computer equipment	- 25% - 50% reducing balance

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 Consolidated statement of comprehensive income.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.9 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

SWEETTREE RETIREMENT COMMUNITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies (continued)**2.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.13 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.14 Pensions**Defined contribution pension plan**

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

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

2.15 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies (continued)

2.16 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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 reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 reporting date.

SWEETTREE RETIREMENT COMMUNITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

3. Employees

The average monthly number of employees, including directors, during the year was 464 (2016 - 489).

4. Intangible assets**Group and Company**

	Trademarks £
Cost	
At 1 April 2016	1,350
At 31 March 2017	<u>1,350</u>
Amortisation	
At 1 April 2016	540
Charge for the year	<u>135</u>
At 31 March 2017	<u>675</u>
Net book value	
At 31 March 2017	<u>675</u>
At 31 March 2016	<u>810</u>

SWEETTREE RETIREMENT COMMUNITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

5. Tangible fixed assets

Group

	Leasehold improvement £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
At 1 April 2016	206,913	20,284	9,800	25,056	87,685	349,738
Additions	21,710	-	-	7,501	13,489	42,700
Disposals	-	-	-	(4,154)	(31,947)	(36,101)
At 31 March 2017	<u>228,623</u>	<u>20,284</u>	<u>9,800</u>	<u>28,403</u>	<u>69,227</u>	<u>356,337</u>
Depreciation						
At 1 April 2016	76,022	15,965	8,334	11,642	73,204	185,167
Charge for the year on owned assets	16,973	864	293	4,302	9,022	31,454
Disposals	-	-	-	(3,445)	(29,703)	(33,148)
At 31 March 2017	<u>92,995</u>	<u>16,829</u>	<u>8,627</u>	<u>12,499</u>	<u>52,523</u>	<u>183,473</u>
Net book value						
At 31 March 2017	<u>135,628</u>	<u>3,455</u>	<u>1,173</u>	<u>15,904</u>	<u>16,704</u>	<u>172,864</u>
At 31 March 2016	<u>130,891</u>	<u>4,319</u>	<u>1,466</u>	<u>13,414</u>	<u>14,481</u>	<u>164,571</u>

The net book value of land and buildings may be further analysed as follows:

	2017 £	2016 £
Leasehold improvement	<u>135,628</u>	<u>130,891</u>
	<u>135,628</u>	<u>130,891</u>

SWEETTREE RETIREMENT COMMUNITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

6. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Sweettree Home Care Services Limited	UK	Ordinary	100 %	Home care services

The aggregate of the share capital and reserves as at 31 March 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
SweetTree Home Care Services Limited	590,848	126,227
	<u>590,848</u>	<u>126,227</u>

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2016	<u>1</u>
At 31 March 2017	<u>1</u>
Net book value	
At 31 March 2017	<u>1</u>
At 31 March 2016	<u>1</u>

SWEETTREE RETIREMENT COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

7. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	1,051,073	1,322,608	-	-
Amounts owed by group undertakings	-	-	324,513	344,513
Other debtors	181,421	145,111	-	-
Prepayments and accrued income	7,411	163,220	-	-
Tax recoverable	2,897	-	-	-
	<u>1,242,802</u>	<u>1,630,939</u>	<u>324,513</u>	<u>344,513</u>

8. Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash at bank and in hand	275,720	112,921	-	-
	<u>275,720</u>	<u>112,921</u>	<u>-</u>	<u>-</u>

9. Creditors: Amounts falling due within one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade creditors	76,437	219,898	-	-
Corporation tax	9,441	47,415	-	-
Other taxation and social security	261,654	240,666	-	-
Other creditors	8,586	109,436	-	20,000
Accruals and deferred income	399,862	488,563	2,040	2,040
	<u>755,980</u>	<u>1,105,978</u>	<u>2,040</u>	<u>22,040</u>

SWEETTREE RETIREMENT COMMUNITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

10. Deferred taxation**Group**

	2017 £	2016 £
At beginning of year	(16,169)	(24,749)
Charged to profit or loss	(6,591)	8,580
At end of year	(22,760)	(16,169)

The provision for deferred taxation is made up as follows:

	Group 2017 £	Group 2016 £
Short term timing differences	(3,625)	2,966
Fixed asset timing differences	(19,135)	(19,135)
	(22,760)	(16,169)

11. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
225 Ordinary shares of £1 each	225	225

12. Reserves**Share premium account**

Share premium included any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Profit and loss includes all current and prior periods retained profit.

SWEETTREE RETIREMENT COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

13. Prior year adjustment

During the year it was discovered that wages and salaries were understated by £104,485. This was corrected by way of prior year adjustment.

14. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £43,844 (2016: £54,251). Contributions totalling £6,767 (2016: £14,000) were payable to the fund at the balance sheet date and are included in creditors.

15. Commitments under operating leases

At 31 March 2017 the Group had future minimum lease payments under non-cancellable operating leases as follows:

Group	2017 £	2016 £
Not later than 1 year	226,568	209,263
Later than 1 year and not later than 5 years	885,516	711,502
Later than 5 years	873,192	1,024,785
	<u>1,985,276</u>	<u>1,945,550</u>

16. Related party transactions

During the year, the net movement between the company and its subsidiary SweetTree Home Care Services Limited was £20,000. At the year end the company was owed £324,513 (2016: £344,513) from SweetTree Home Care Services Limited.

The group has trading relationships with Banyan Care Group Limited (formerly SweetTree SPL Limited), Banyan Residential Care Limited (formerly ABC Shelf Limited), Craypath Limited, SweetTree Farming For All CIC and SweetTree Connect Limited, companies incorporated in England and Wales and which are jointly controlled by B J Sweetbaum, a director of SweetTree Retirement Communities Limited and its subsidiary SweetTree Home Care Services Limited.

As at 31 March 2017, the SweetTree Home Care Services Limited was owed £10,442 (2016: £7,292) from Banyan Care Group Limited (formerly SweetTree SPL Limited), £31,500 (2016: £34,650) from Banyan Residential Care Limited (formerly ABC Shelf Limited), £95,961 (2016: £73,548) from Craypath Limited, £13,527 (2016: £13,227) from SweetTree Farming For All CIC and £15,450 (£nil) from SweetTree Connect Limited.

During the year there were net movements of £10,193 on B J Sweetbaum's directors loan account. At the year end, SweetTree Home Care Services Limited was owed £11,588 (2016: £1,395) from B J Sweetbaum. Interest was charged at a rate of 3%.

SWEETTREE RETIREMENT COMMUNITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

17. Controlling party

The ultimate controlling party is B J Sweetbaum by virtue of his shareholding in the company.

18. Auditors' information

The accounts were audited and the Auditor's report was unqualified.

There are no matters to which the auditor drew attention by way of emphasis.

The name of the auditor is Elman Wall Limited and the Senior Statutory Auditor is Yasin Khandwalla.