

Company Registration No. 05087886 (England and Wales)

MEADOWS CARE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2017
PAGES FOR FILING WITH REGISTRAR

MEADOWS CARE LIMITED

COMPANY INFORMATION

Directors	J D Rigg N Shelmerdine Dr J M Toner
Secretary	J D Rigg
Company number	05087886
Registered office	Egerton House Wardle Road Rochdale Lancashire OL12 9EN
Accountants	Cowgill Holloway LLP Regency House 45-53 Chorley New Road Bolton BL1 4QR
Bankers	Natwest Bank Town Hall Square Rochdale Lancs OL161LL

MEADOWS CARE LIMITED

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MEADOWS CARE LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	4		645,458		506,816
Current assets					
Debtors	5	1,319,807		392,157	
Cash at bank and in hand		464,518		76,375	
		<u>1,784,325</u>		<u>468,532</u>	
Creditors: amounts falling due within one year	6	<u>(2,111,958)</u>		<u>(932,802)</u>	
Net current liabilities			(327,633)		(464,270)
Total assets less current liabilities			<u>317,825</u>		<u>42,546</u>
Capital and reserves					
Called up share capital	7		127		127
Share premium account			24,990		24,990
Capital redemption reserve			6		6
Profit and loss reserves			<u>292,702</u>		<u>17,423</u>
Total equity			<u>317,825</u>		<u>42,546</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 30 September 2017 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 Act 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.

The financial statements were approved by the board of directors and authorised for issue on 27 June 2018 and are signed on its behalf by:

J D Rigg
Director

Company Registration No. 05087886

MEADOWS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2017

1 Accounting policies

Company information

Meadows Care Limited is a private company limited by shares incorporated in England and Wales. The registered office is Egerton House, Wardle Road, Rochdale, Lancashire, OL12 9EN.

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. The principal accounting policies adopted are set out below.

These financial statements for the Period ended 30 September 2017 are the first financial statements of Meadows Care Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

1.3 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:

Property improvements	20% p.a. reducing balance basis
Leasehold property	2% p.a. straight line basis
Plant and machinery	20% p.a. reducing balance basis
Fixtures and fittings	20% p.a. reducing balance basis
Office equipment	20% p.a. reducing balance basis
Motor vehicles	25% p.a. reducing balance basis

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.

MEADOWS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash at bank and in hand

Cash at bank and in hand 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.

1.6 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 and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

MEADOWS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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 if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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.

1.9 Retirement benefits

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

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

MEADOWS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2017

2 Exceptional costs

	2017	2016
	£	£
Exceptional costs	365,610	633,048
	<u> </u>	<u> </u>

Included within these accounts are exceptional costs in relation to the restructuring of the company totalling £365,610 (2016: £633,048). These costs are in relation to the home closure costs in the North West, redundancy costs and legal fees. Also in the prior year were set up costs in relation to Birmingham.

EBITDA prior to the exceptional items is calculated at £433,438, however excluding the above exceptional items EBITDA for the 18 month period ended 30 September 2017 would be £799,048.

Also included in the accounts is rent paid for properties owned by the directors totalling £212,000 (2016: £198,880). Excluding this rent would result in an EDITDAR of £1,011,048 (2016: £669,375).

3 Employees

The average monthly number of persons (including directors) employed by the company during the Period was 218 (2016 - 180).

MEADOWS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2017

4 Tangible fixed assets									
		Property improvements	Leasehold property	Plant and machinery	Fixtures and fittings	Office equipment	Motor vehicles	Total	
		£	£	£	£	£	£	£	£
Cost									
At 1 April 2016		183,085	343,745	43,732	49,853	94,208	103,682	818,305	
Additions		202,243	-	1,055	2,049	22,769	24,795	252,911	
Disposals		-	-	-	-	-	(7,900)	(7,900)	
At 30 September 2017		385,328	343,745	44,787	51,902	116,977	120,577	1,063,316	
Depreciation and impairment									
At 1 April 2016		80,868	36,006	32,396	35,951	57,195	69,073	311,489	
Depreciation charged in the Period		67,057	10,312	3,189	4,008	13,747	15,363	113,676	
Eliminated in respect of disposals		-	-	-	-	-	(7,307)	(7,307)	
At 30 September 2017		147,925	46,318	35,585	39,959	70,942	77,129	417,858	
Carrying amount									
At 30 September 2017		237,403	297,427	9,202	11,943	46,035	43,448	645,458	
At 31 March 2016		102,217	307,739	11,336	13,902	37,013	34,609	506,816	

MEADOWS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2017

5 Debtors	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	526,438	211,124
Other debtors	793,369	181,033
	<u>1,319,807</u>	<u>392,157</u>
	<u><u>1,319,807</u></u>	<u><u>392,157</u></u>
6 Creditors: amounts falling due within one year	2017	2016
	£	£
Trade creditors	280,767	278,804
Other taxation and social security	340,660	163,039
Other creditors	1,490,531	490,959
	<u>2,111,958</u>	<u>932,802</u>
	<u><u>2,111,958</u></u>	<u><u>932,802</u></u>
7 Called up share capital	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary of £1 each	100	100
270 Ordinary A of 10p each	27	27
	<u>127</u>	<u>127</u>
	<u><u>127</u></u>	<u><u>127</u></u>

The Ordinary £1 shares have full rights in terms of votes, dividends and return of capital. The Ordinary A 10p shares have no voting or return on capital rights, only rights to dividends.

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2017	2016
£	£
402,548	346,395
<u>402,548</u>	<u>346,395</u>
<u><u>402,548</u></u>	<u><u>346,395</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.