

BROADHAM CARE LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

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COMPANIES HOUSE

BROADHAM CARE LIMITED

COMPANY INFORMATION

DIRECTORS

S A Green
J J Jordan
M J Plant
G H Wise

REGISTERED NUMBER

05442152

REGISTERED OFFICE

Vector House
Merle Common Road
Oxted
Surrey
RH8 0RP

INDEPENDENT AUDITORS

Simmons Gainsford LLP
Chartered Accountants & Statutory Auditors
52 New Town
Uckfield
TN22 5DE

BROADHAM CARE LIMITED

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BROADHAM CARE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

INTRODUCTION

The directors present their annual report and financial statements for the period ended 31 March 2015.

BUSINESS REVIEW

Sales income in the period has been similar to last year and we have maintained a high occupancy rate in all of our eight homes. We have grown by adding two client rooms to existing houses.

PRINCIPAL RISKS AND UNCERTAINTIES

Market Risks

Risks to the business include our fees funded by the government and any possible changes to adult social care policy.

Increased pressure on costs including higher levels of the national living wage, additional pension provision despite generally no fee increases.

Operation Risks

CQC inspections finding areas of non compliance in the maintenance of our high standards of care.

Keeping vulnerable clients safe and secure at all time as there is always a risk of absconding clients.

Liquidity risks

The company's cash flow is closely managed to ensure adequate funds are available to meet liabilities when they fall due. Debtors are regularly reviewed to ensure accounts do not fall overdue. We maintain an excellent relationship with our bank to ensure any future requests for funds would be viewed kindly.

FINANCIAL KEY PERFORMANCE INDICATORS

	2015	2014	2013
	£m	£m	£m
Turnover	6.4	6.4	5.9
Net profit in excess of	4%	4%	4%
Occupancy rate	99%	98%	95%

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


.....
M J Plant
Director

Date: 15/12/2015

BROADHAM CARE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their report and the audited financial statements for the year ended 31 March 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of provision of care home facilities for individuals with learning disabilities.

DIRECTORS

The directors who served during the year were:

S A Green
J J Jordan
M J Plant
G H Wise

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.


BROADHAM CARE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2015**

AUDITORS

Under section 487(2) of the Companies Act 2006, Simmons Gainsford LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



.....
M J Plant
Director

Date: 15.12.2015

BROADHAM CARE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BROADHAM CARE LIMITED

We have audited the financial statements of Broadham Care Limited for the year ended 31 March 2015, set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BROADHAM CARE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BROADHAM CARE LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Martyn Pizer (Senior statutory auditor)

for and on behalf of
Simmons Gainsford LLP

Chartered Accountants
Statutory Auditors

52 New Town
Uckfield
TN22 5DE

Date: 18th December 2015

BROADHAM CARE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
TURNOVER	1,2	6,580,773	6,430,944
Cost of sales		(4,466,287)	(4,643,990)
		<hr/>	<hr/>
GROSS PROFIT		2,114,486	1,786,954
Administrative expenses		(426,837)	(405,225)
		<hr/>	<hr/>
OPERATING PROFIT	3	1,687,649	1,381,729
Interest payable and similar charges	6	(207,041)	(234,469)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,480,608	1,147,260
Tax on profit on ordinary activities	7	(295,746)	(258,864)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	14	<u>1,184,862</u>	<u>888,396</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

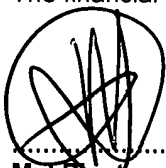
The notes on pages 9 to 16 form part of these financial statements.

BROADHAM CARE LIMITED
REGISTERED NUMBER: 05442152

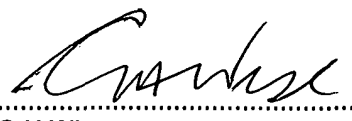
BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	8		8,910,758		8,809,143
CURRENT ASSETS					
Debtors	9	458,849		496,546	
Cash at bank and in hand		609,654		308,654	
		<u>1,068,503</u>		<u>805,200</u>	
CREDITORS: amounts falling due within one year	10	<u>(1,131,817)</u>		<u>(1,131,828)</u>	
NET CURRENT LIABILITIES			(63,314)		(326,628)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,847,444</u>		<u>8,482,515</u>
CREDITORS: amounts falling due after more than one year	11		(6,529,242)		(7,052,039)
PROVISIONS FOR LIABILITIES					
Deferred tax	12		<u>(197,943)</u>		<u>(195,079)</u>
NET ASSETS			<u>2,120,259</u>		<u>1,235,397</u>
CAPITAL AND RESERVES					
Called up share capital	13		100,000		100,000
Profit and loss account	14		<u>2,020,259</u>		<u>1,135,397</u>
SHAREHOLDERS' FUNDS	15		<u>2,120,259</u>		<u>1,235,397</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



M J Plant
Director



G H Wise
Director

Date: 15.12.2015

Date: 15.12.2015

The notes on pages 9 to 16 form part of these financial statements.

BROADHAM CARE LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	17	1,749,433	1,529,111
Returns on investments and servicing of finance	18	(207,041)	(234,469)
Taxation		(242,105)	(18,278)
Capital expenditure and financial investment	18	(151,636)	(6,330)
Equity dividends paid		(300,000)	(300,000)
CASH INFLOW BEFORE FINANCING		848,651	970,034
Financing	18	(547,651)	(1,098,858)
INCREASE/(DECREASE) IN CASH IN THE YEAR		301,000	(128,824)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MARCH 2015**

	2015 £	2014 £
Increase/(Decrease) in cash in the year	301,000	(128,824)
Cash outflow from decrease in debt and lease financing	547,651	1,098,858
MOVEMENT IN NET DEBT IN THE YEAR	848,651	970,034
Net debt at 1 April 2014	(7,007,471)	(7,977,505)
NET DEBT AT 31 MARCH 2015	(6,158,820)	(7,007,471)

The notes on pages 9 to 16 form part of these financial statements.

BROADHAM CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Not depreciated
Motor vehicles	-	25% on reducing balance
Fixtures & fittings	-	25% on reducing balance
Office equipment	-	25% on reducing balance
Furnishings	-	33% on reducing balance

1.4 Operating leases

Rentals under operating leases are charged to the Profit and loss account 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 period until the date the rent is expected to be adjusted to the prevailing market rate.

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.6 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

BROADHAM CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

2. TURNOVER

The whole of the turnover is attributable to fee income generated from the provision of care home facilities.

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	49,519	56,894
Auditors' remuneration	13,205	13,455
Operating lease rentals:		
- other operating leases	16,571	16,571
	<u> </u>	<u> </u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	3,217,240	3,357,987
Social security costs	275,708	275,090
Other pension costs	16,856	-
	<u> </u>	<u> </u>
	<u>3,509,804</u>	<u>3,633,077</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Staff	168	163
	<u> </u>	<u> </u>

5. DIRECTORS' REMUNERATION

	2015 £	2014 £
Remuneration	224,596	237,346
	<u> </u>	<u> </u>

The highest paid director received remuneration of £113,662 (2014 - £130,164).

BROADHAM CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

6. INTEREST PAYABLE

	2015	2014
	£	£
On bank loans and overdrafts	195,041	222,469
On other loans	12,000	12,000
	<u>207,041</u>	<u>234,469</u>

7. TAXATION

	2015	2014
	£	£
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	292,882	242,106
Deferred tax (see note 12)		
Origination and reversal of timing differences	2,864	16,758
Tax on profit on ordinary activities	<u>295,746</u>	<u>258,864</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015	2014
	£	£
Profit on ordinary activities before tax	<u>1,480,608</u>	<u>1,147,260</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	310,928	263,870
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	6,049	942
Capital allowances for year in excess of depreciation	(23,835)	(19,457)
Marginal relief	(260)	(3,249)
Current tax charge for the year (see note above)	<u>292,882</u>	<u>242,106</u>

BROADHAM CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

8. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures & fittings £	Office equipment £	House Furnishings £
Cost					
At 1 April 2014	8,653,987	129,686	204,468	49,696	82,231
Additions	88,100	38,099	39,621	2,866	-
Disposals	-	(39,850)	-	(1,909)	-
At 31 March 2015	8,742,087	127,935	244,089	50,653	82,231
Depreciation					
At 1 April 2014	-	68,593	145,762	30,070	66,500
Charge for the year	-	18,911	20,264	5,152	5,192
On disposals	-	(23,331)	-	(876)	-
At 31 March 2015	-	64,173	166,026	34,346	71,692
Net book value					
At 31 March 2015	8,742,087	63,762	78,063	16,307	10,539
At 31 March 2014	8,653,987	61,093	58,706	19,626	15,731
					Total £
Cost					
At 1 April 2014					9,120,068
Additions					168,686
Disposals					(41,759)
At 31 March 2015					9,246,995
Depreciation					
At 1 April 2014					310,925
Charge for the year					49,519
On disposals					(24,207)
At 31 March 2015					336,237
Net book value					
At 31 March 2015					8,910,758
At 31 March 2014					8,809,143

BROADHAM CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

9. DEBTORS

	2015 £	2014 £
Trade debtors	428,188	397,192
Other debtors	586	1,003
Prepayments and accrued income	30,075	98,351
	<u>458,849</u>	<u>496,546</u>

**10. CREDITORS:
Amounts falling due within one year**

	2015 £	2014 £
Bank loans and overdrafts	239,232	264,086
Trade creditors	37,442	39,907
Corporation tax	292,882	242,105
Other taxation and social security	72,327	69,473
Other creditors	64,152	46,168
Accruals and deferred income	425,782	470,089
	<u>1,131,817</u>	<u>1,131,828</u>

**11. CREDITORS:
Amounts falling due after more than one year**

	2015 £	2014 £
Bank loans	6,229,242	6,740,039
Other loans	300,000	312,000
	<u>6,529,242</u>	<u>7,052,039</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Repayable by instalments	<u>5,506,700</u>	<u>5,948,718</u>

The loan is secured by a fixed and floating charge over the assets of the company. One of the directors has a legal charge over the property, see related party transaction note.

BROADHAM CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

12. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	195,079	178,321
Charge for year (P&L)	2,864	16,758
	<u>197,943</u>	<u>195,079</u>
At end of year	<u>197,943</u>	<u>195,079</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>197,943</u>	<u>195,079</u>

13. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

14. RESERVES

	Profit and loss account £
At 1 April 2014	1,135,397
Profit for the financial year	1,184,862
Dividends: Equity capital	(300,000)
	<u>2,020,259</u>
At 31 March 2015	<u>2,020,259</u>

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	1,235,397	647,001
Profit for the financial year	1,184,862	888,396
Dividends (Note 16)	(300,000)	(300,000)
	<u>2,120,259</u>	<u>1,235,397</u>
Closing shareholders' funds	<u>2,120,259</u>	<u>1,235,397</u>

BROADHAM CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

16. DIVIDENDS

	2015 £	2014 £
Dividends paid on equity capital	300,000	300,000

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	1,687,649	1,381,729
Depreciation of tangible fixed assets	49,519	56,894
Loss on disposal of tangible fixed assets	502	7,126
Decrease/(increase) in debtors	37,697	(170,313)
(Decrease)/increase in creditors	(25,934)	253,675
Net cash inflow from operating activities	1,749,433	1,529,111

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest paid	(207,041)	(234,469)
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(168,686)	(16,845)
Sale of tangible fixed assets	17,050	10,515
Net cash outflow from capital expenditure	(151,636)	(6,330)
	2015 £	2014 £
Financing		
Repayment of loans	(535,651)	(1,099,980)
Other new loans	-	1,122
Repayment of other loans	(12,000)	-
Net cash outflow from financing	(547,651)	(1,098,858)

BROADHAM CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

19. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2014 £	Cash flow £	Other non-cash changes £	31 March 2015 £
Cash at bank and in hand	308,654	301,000	-	609,654
Debt:				
Debts due within one year	(264,086)	547,651	(522,797)	(239,232)
Debts falling due after more than one year	(7,052,039)	-	522,797	(6,529,242)
Net debt	<u>(7,007,471)</u>	<u>848,651</u>	<u>-</u>	<u>(6,158,820)</u>

20. OPERATING LEASE COMMITMENTS

At 31 March 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2015 £	2014 £
Expiry date:		
Within 1 year	<u>16,571</u>	<u>16,571</u>

21. RELATED PARTY TRANSACTIONS

The amount shown as other loans falling due after more than one year, totalling £300,000 (2014 - £312,000) represents money due to G H Wise, a director and significant shareholder of the company. This loan is partly secured by legal charge over the freehold land and buildings in Eastbourne, Worthing, Bognor Regis, Oxted, Dover and Staplehurst. During the year, the company was charged interest at market rates of 4% amounting to £12,000 (2014 - £12,000).

Included in Legal & professional fees is £15,800 which was paid to Granville Wise.

During the year the company paid dividends to directors to the value of £300,000 (2014 - £300,000).