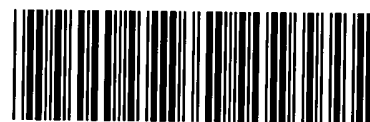


COMPANY REGISTRATION NUMBER: 5587145

LAURELS CARE LIMITED
FILLETED FINANCIAL STATEMENTS
31 OCTOBER 2016

FRIDAY



LD4 *L6BMZSMA* #53
28/07/2017
COMPANIES HOUSE

UHY HACKER YOUNG (S.E.) LIMITED

Chartered accountant & statutory auditor
168 Church Road
Hove
East Sussex
BN3 2DL

LAURELS CARE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2016

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LAURELS CARE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

YEAR ENDED 31 OCTOBER 2016

The directors are responsible for preparing 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 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.

LAURELS CARE LIMITED

STATEMENT OF FINANCIAL POSITION

31 OCTOBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	5	6,167,189	6,167,566
Investments	6	2	2
		<u>6,167,191</u>	<u>6,167,568</u>
Current assets			
Debtors	7	669,472	562,313
Cash at bank and in hand		1,269	2,031
		<u>670,741</u>	<u>564,344</u>
Creditors: amounts falling due within one year	8	<u>1,284,583</u>	<u>1,241,809</u>
Net current liabilities		<u>613,842</u>	<u>677,465</u>
Total assets less current liabilities		<u>5,553,349</u>	<u>5,490,103</u>
Creditors: amounts falling due after more than one year	9	3,515,124	3,690,734
Provisions			
Taxation including deferred tax		140,546	199,757
Net assets		<u>1,897,679</u>	<u>1,599,612</u>
Capital and reserves			
Called up share capital		2	2
Revaluation reserve	11	1,148,193	1,123,113
Profit and loss account	11	749,484	476,497
Members funds		<u>1,897,679</u>	<u>1,599,612</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

The statement of financial position
continues on the following page.
The notes on pages 5 to 10 form part of these financial statements.

LAURELS CARE LIMITED

STATEMENT OF FINANCIAL POSITION *(continued)*

31 OCTOBER 2016

These financial statements were approved by the board of directors and authorised for issue on 28 July 2017, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'M. Sheikh', written over a circular stamp or seal.

M Sheikh
Director

Company registration number: 5587145

The notes on pages 5 to 10 form part of these financial statements.

LAURELS CARE LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 OCTOBER 2016

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 November 2014	2	1,114,293	75,746	1,190,041
Profit for the year			409,571	409,571
Other comprehensive income for the year:				
Transfer - deferred tax on property gain	—	8,820	(8,820)	—
Total comprehensive income for the year	—	8,820	400,751	409,571
At 31 October 2015	2	1,123,113	476,497	1,599,612
Profit for the year			298,067	298,067
Other comprehensive income for the year:				
Transfer - deferred tax on property gain	—	25,080	(25,080)	—
Total comprehensive income for the year	—	25,080	272,987	298,067
At 31 October 2016	<u>2</u>	<u>1,148,193</u>	<u>749,484</u>	<u>1,897,679</u>

The notes on pages 5 to 10 form part of these financial statements.

LAURELS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Castle House, 69 -70 Victoria Street, Englefield Green, Surrey, TW20 0QX.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'. The July 2015 amendments to the standard have been early adopted.

3. Accounting policies

Basis of preparation

Going concern

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 November 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 15.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

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.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- investment property valuations

LAURELS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

3. Accounting policies *(continued)*

Turnover and revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced during the year in respect of property rental and is recognised as space is provided.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 25% reducing balance

4. Tax on profit

Major components of tax (income)/expense

	2016	2015
	£	£
Current tax:		
UK current tax expense	17,295	–

LAURELS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

4. Tax on profit *(continued)*

	2016 £	2015 £
Deferred tax:		
Origination and reversal of timing differences	(59,211)	163,163
Tax on profit	(41,916)	163,163

5. Tangible assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 Nov 2015 and 31 Oct 2016	<u>6,164,550</u>	<u>10,420</u>	<u>6,174,970</u>
Depreciation			
At 1 Nov 2015 and 31 Oct 2016	<u>—</u>	<u>7,781</u>	<u>7,781</u>
Carrying amount			
At 31 October 2016	<u>6,164,550</u>	<u>2,639</u>	<u>6,167,189</u>

Tangible assets held at valuation

Land and buildings represent an investment property.

In the directors' opinion, the carrying value of the company's investment property as at 31 October 2016, which is based on the directors' valuation is not significantly different from the open market value of the property as at that date.

6. Investments

	Shares in group undertakings £
Cost	
At 1 Nov 2015 and 31 Oct 2016	<u>2</u>
Impairment	
At 1 Nov 2015 and 31 Oct 2016	<u>—</u>
Carrying amount	
At 31 October 2016	<u>2</u>

LAURELS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

6. Investments *(continued)*

The company owns the entire share capital of The Laurels Care Centre Limited, a company registered in England and Wales. The principal activity of The Laurels Care Centre Limited is that of managing and operating a residential nursing home. The shareholders' funds of The Laurels Care Centre Limited, from its latest available set of accounts at 31 March 2016, was £450,393 (2015: £322,551) and its profit for the year then ended was £127,842 (2015: £153,063).

7. Debtors

	2016 £	2015 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	669,472	562,311
Other debtors	—	2
	<u>669,472</u>	<u>562,313</u>

8. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	174,000	170,000
Trade creditors	9,724	5,595
Corporation tax	35,928	18,633
Other creditors	1,064,931	1,047,581
	<u>1,284,583</u>	<u>1,241,809</u>

9. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	<u>3,515,124</u>	<u>3,690,734</u>

The bank loans and overdrafts are secured over the freehold property and by guarantees given by other related companies. The bank loans are repayable by equal quarterly instalments until October 2018, when a final single payment sufficient to repay the loan in full is made.

LAURELS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

10. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016	2015
	£	£
Included in provisions	<u>140,546</u>	<u>199,757</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016	2015
	£	£
Accelerated capital allowances	137,852	188,408
Fair value adjustment of investment property	2,694	27,774
Unused tax losses	<u>-</u>	<u>(16,425)</u>
	<u>140,546</u>	<u>199,757</u>

11. Reserves

Revaluation reserve (non-distributable) - The revaluation reserve is used to record increases in the fair value of investment properties and decreases to the extent that such decreases relate to an increase on the same asset. The fair value movements are recognised in other comprehensive income..

Profit and loss account - This reserve records retained earnings and accumulated losses.

12. Contingencies

The company has given an inter-company guarantee in respect of the bank borrowings of other companies amounting to £23m as at 31 October 2016 (2015: £24m).

13. Summary audit opinion

The auditor's report for the year dated 28 July 2017 was unqualified.

The senior statutory auditor was Shabir Thantrey, for and on behalf of UHY Hacker Young (S.E.) Limited.

14. Related party transactions

There were no related party transactions required to be reported under FRS 102 Section 1A.

15. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 November 2014.

LAURELS CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

15. Transition to FRS 102 *(continued)*

Reconciliation of equity

	1 November 2014			31 October 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of FRS 102 (as transition £	restated) £
Fixed assets	6,168,573	–	6,168,573	6,167,568	–	6,167,568
Current assets	157,766	–	157,766	564,344	–	564,344
Creditors: amounts falling due within one year	(1,237,102)	–	(1,237,102)	(1,241,809)	–	(1,241,809)
Net current liabilities	(1,079,336)	–	(1,079,336)	(677,465)	–	(677,465)
Total assets less current liabilities	5,089,237	–	5,089,237	5,490,103	–	5,490,103
Creditors: amounts falling due after more than one year	(3,862,602)	–	(3,862,602)	(3,690,734)	–	(3,690,734)
Provisions	–	(36,594)	(36,594)	(171,983)	(27,774)	(199,757)
Net assets	1,226,635	(36,594)	1,190,041	1,627,386	(27,774)	1,599,612
Capital and reserves	1,226,635	(36,594)	1,190,041	1,627,386	(27,774)	1,599,612

There have been several reclassifications in the statement of financial position and changes in terminology in these financial statements resulting from the transition to FRS 102.

The accounting changes made result from the requirement under FRS 102 to show changes in fair values of investment properties in profit and loss and not directly as a reserve movement. A resulting deferred tax provision is also required on the changes in fair values of the investment properties whereas under the previous UK GAAP no deferred tax provision was recognised on the revaluation of investment properties.