

Registered number: 06443478

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

COMPANY INFORMATION

DIRECTORS

V O Shah
B J Sweetbaum

REGISTERED NUMBER

06443478

REGISTERED OFFICE

8th Floor
Becket House
36 Old Jewry
London
EC2R 8DD

INDEPENDENT AUDITORS

Elman Wall Limited
Chartered Accountants & Statutory Auditor
8th Floor
Becket House
36 Old Jewry
London
EC2R 8DD

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)
REGISTERED NUMBER: 06443478

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	5	4,202,808	4,219,892
		<u>4,202,808</u>	<u>4,219,892</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	6	180,309	204,278
Cash at bank and in hand	7	152,121	132,049
		<u>332,430</u>	<u>336,327</u>
Creditors: amounts falling due within one year	8	(389,418)	(272,910)
NET CURRENT (LIABILITIES)/ASSETS		<u>(56,988)</u>	<u>63,417</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,145,820</u>	<u>4,283,309</u>
Creditors: amounts falling due after more than one year	9	(4,672,547)	(4,899,973)
NET LIABILITIES		<u><u>(526,727)</u></u>	<u><u>(616,664)</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	1	1
Profit and loss account	13	(526,728)	(616,665)
		<u><u>(526,727)</u></u>	<u><u>(616,664)</u></u>

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



V O Shah
Director

Date: 22/12/2017

The notes on pages 4 to 13 form part of these financial statements.

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2016	1	(616,665)	(616,664)
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	89,937	89,937
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	89,937	89,937
AT 31 MARCH 2017	1	(526,728)	(526,727)

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

	Called up share capital £	As restated Profit and loss account £	Total equity £
At 1 April 2015 (as previously stated)	1	(1,405,616)	(1,405,615)
Prior year adjustment	-	(10,828)	(10,828)
At 1 April 2015 (as restated)	1	(1,416,444)	(1,416,443)
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	799,779	799,779
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	799,779	799,779
AT 31 MARCH 2016	1	(616,665)	(616,664)

The notes on pages 4 to 13 form part of these financial statements.

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

1. GENERAL INFORMATION

Banyan Residential Care Limited (formerly known as ABC Shelf 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 nature of the company's operations and principal activities is that a residential care home providing specialist dementia care services.

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 management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The nature of the business is such that the company receives regular cash flows and in turn can fund the day to day working capital requirements of the company. The directors have projected cash flow information for the period ending 12 months from the date of their approval of these financial statements. On the basis of this cash flow information and the financial security provided to the company by its parent, the directors consider it appropriate to prepare the financial statements on the going concern basis.

The directors and shareholders of the parent company, Banyan Care Group Limited (formerly SweetTree SPL Limited), will also continue to financially support the company for the foreseeable future.

2.3 Revenue

Turnover represents amounts receivable from residents for care related services. Turnover is recognised when earned.

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

2. ACCOUNTING POLICIES (CONTINUED)**2.4 Intangible assets and amortisation****Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and loss account over its useful economic life.

The estimated useful lives range as follows:

Goodwill	-	5	years
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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, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- Buildings - 125 years straight line basis
Plant and machinery	- 7 years straight line basis
Motor vehicles	- 4 years straight line basis
Fixtures and fittings	- 5 years straight line basis
Computer equipment	- 3 years straight line basis

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 Statement of comprehensive income.

2.6 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

2. ACCOUNTING POLICIES (CONTINUED)**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.

2.9 Financial instruments

The Company 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.

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 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 Pensions**Defined contribution pension plan**

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

The contributions are recognised as an expense in the 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 Company in independently administered funds.

2.13 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.

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.14 Interest income

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

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the 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 operates and generates 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

2.17 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 63 (2016 - 63).

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

4. INTANGIBLE ASSETS

	Goodwill £
COST	
At 1 April 2016	100,000
At 31 March 2017	<u>100,000</u>
AMORTISATION	
At 1 April 2016	100,000
At 31 March 2017	<u>100,000</u>
NET BOOK VALUE	
At 31 March 2017	<u>-</u>
At 31 March 2016	<u>-</u>

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

5. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION						
At 1 April 2016	6,066,182	325,247	22,000	164,154	23,307	6,600,890
Additions	8,368	17,145	-	28,120	-	53,633
At 31 March 2017	<u>6,074,550</u>	<u>342,392</u>	<u>22,000</u>	<u>192,274</u>	<u>23,307</u>	<u>6,654,523</u>
DEPRECIATION						
At 1 April 2016	1,984,054	241,311	22,000	113,168	20,464	2,380,997
Charge for the year on owned assets	18,930	30,811	-	19,289	1,687	70,717
At 31 March 2017	<u>2,002,984</u>	<u>272,122</u>	<u>22,000</u>	<u>132,457</u>	<u>22,151</u>	<u>2,451,714</u>
NET BOOK VALUE						
At 31 March 2017	<u>4,071,566</u>	<u>70,270</u>	<u>-</u>	<u>59,817</u>	<u>1,156</u>	<u>4,202,809</u>
At 31 March 2016	<u>4,082,128</u>	<u>83,936</u>	<u>-</u>	<u>50,986</u>	<u>2,842</u>	<u>4,219,892</u>

6. DEBTORS

	2017 £	2016 £
Trade debtors	77,809	82,080
Prepayments	10,952	-
Deferred taxation	91,548	122,197
	<u>180,309</u>	<u>204,277</u>

7. CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	152,121	132,049
	<u>152,121</u>	<u>132,049</u>

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

8. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Bank loans	166,668	41,667
Trade creditors	43,061	96,776
Other taxation and social security	16,929	14,750
Other creditors	140,031	107,550
Accruals	22,729	12,167
	<u>389,418</u>	<u>272,910</u>

9. CREDITORS: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	2,583,586	2,708,333
Other loans	191,500	200,179
Amounts owed to group undertakings	1,897,461	1,991,461
	<u>4,672,547</u>	<u>4,899,973</u>

Secured loans

In November 2016 the settlement was agreed with The Royal Bank of Scotland Plc to refinance the old debt facilities. The agreement extended to the breakage of the interest rate swap and a reversal of any swap interest that was accrued in the prior period. The settlement position was agreed with Barclays Bank plc who took over a loan amounting to £2,750,000 under new terms.

The senior debt facility of £2,500,000 is secured against a legal charge over Arbory Residential Home. The secondary loan £250,000 is secured by way of guarantee by directors V O Shah and B J Sweetbaum.

The secondary loan is also secured by way of cross guarantee and debenture between Banyan Residential care Limited (formerly ABC Shelf Limited) and Banyan Care Group Limited (formerly SweetTree SPL Limited).

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

10. LOANS

Analysis of the maturity of loans is given below:

	2017 £	2016 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans	166,668	41,667
	<u>166,668</u>	<u>41,667</u>
AMOUNTS FALLING DUE 2-5 YEARS		
Bank loans	2,583,586	2,708,333
Other loans	160,000	160,000
	<u>2,743,586</u>	<u>2,868,333</u>
AMOUNTS FALLING DUE AFTER MORE THAN 5 YEARS		
Other loans	31,500	40,179
	<u>31,500</u>	<u>40,179</u>
	<u>2,941,754</u>	<u>2,950,179</u>

Included within other loans falling due between 2 and 5 years is an amount of £80,000 (2016: £80,000) payable to V O Shah and £80,000 (2016: £80,000) payable to B J Sweetbaum.

Included within other loans falling due in over 5 years is an amount of £31,500 (2016: £40,179) payable to Sweettree Home Care Services Limited, a company registered in England and Wales which is controlled by B J Sweetbaum, who is also a director of Banyan Residential Care Limited.

11. DEFERRED TAXATION

	2017 £	2016 £
At beginning of year	122,197	159,728
Charged to profit or loss	(30,649)	(37,531)
AT END OF YEAR	<u>91,548</u>	<u>122,197</u>

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

11. DEFERRED TAXATION (CONTINUED)

The deferred tax asset is made up as follows:

	2017 £	2016 £
Fixed asset timing differences	(90,736)	(94,074)
Losses and other deductions	182,155	216,163
Short term timing differences	129	108
	<u>91,548</u>	<u>122,197</u>

12. SHARE CAPITAL

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

13. RESERVES**Profit and loss account**

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

14. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund amounted to £4,692 (2016: £3,118). Contributions totalling £764 (2016: £600) were payable to the fund at the balance sheet date.

BANYAN RESIDENTIAL CARE LIMITED (FORMERLY ABC SHELF LIMITED)

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

15. RELATED PARTY TRANSACTIONS

During the year there were net movements of £8,679 with SweetTree Home Care Services Limited. At the year end the company owed £31,500 (2016: £40,179) to SweetTree Home Care Services Limited, a company registered in England and Wales, which is controlled by B J Sweetbaum.

During the year there were net movements of £6,250 on V O Shah's directors loan account. At the year end the company owed £86,250 to (2016: £80,000) V O Shah of which £80,000 is included within other loans falling due between 2 and 5 years.

During the year there were net movements of £6,250 on B J Sweetbaum's directors loan account. At the year end the company owed £86,250 to (2016: £80,000) B J Sweetbaum of which £80,000 is included within other loans falling due between 2 and 5 years.

During the year, the company had net movements of £110,552 (2016: £63,940), with its parent company Banyan Care Group Limited (formerly SweetTree SPL Limited). At the year end the company owed £1,897,461 (2016: £1,991,461) to the parent company.

16. CONTROLLING PARTY

The ultimate controlling party is the parent company Banyan Care Group Limited (formerly SweetTree SPL Limited), a company registered in England and Wales.

17. 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.