

Company Registration No. 06892218 (England and Wales)

STATUTORY

STURDEE COMMUNITY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

PAGES FOR FILING WITH REGISTRAR



STURDEE COMMUNITY LIMITED

COMPANY INFORMATION

Directors	A A Sheikh A J Faqir
Secretary	A A Sheikh
Company number	06892218
Registered office	Unit 7, The Quadrant Upper Culham Farm Cockpole Green Berkshire RG10 8NR
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

STURDEE COMMUNITY LIMITED

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STURDEE COMMUNITY LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2016**

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	3		133,225		163,186
Current assets					
Debtors	4	399,459		356,564	
Cash at bank and in hand		32,723		7,626	
		432,182		364,190	
Creditors: amounts falling due within one year	5	(2,743,018)		(2,520,683)	
Net current liabilities		(2,310,836)		(2,156,493)	
Total assets less current liabilities		(2,177,611)		(1,993,307)	
Creditors: amounts falling due after more than one year	6	(2,279)		(3,887)	
Provisions for liabilities		(9,556)		(14,869)	
Net liabilities		(2,189,446)		(2,012,063)	
Capital and reserves					
Called up share capital	7		1		1
Profit and loss reserves		(2,189,447)		(2,012,064)	
Total equity		(2,189,446)		(2,012,063)	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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 11 December 2017 and are signed on its behalf by:



A A Sheikh
Director

Company Registration No. 06892218

STURDEE COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Sturdee Community Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 7, The Quadrant, Upper Culham Farm, Cockpole Green, Berkshire, RG10 8NR.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis on the assumption that the parent company will continue to provide financial support for the foreseeable future.

1.3 Turnover

Turnover represents net invoiced fees to residents and is recognised in the period of residence.

1.4 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:

Leasehold land and buildings	over the length of the lease
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

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.

STURDEE COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.5 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.

1.6 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.

1.7 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.

STURDEE COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 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.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

STURDEE COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 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.

1.11 Retirement benefits

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

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

STURDEE COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 37 (2015 - 43).

3 Tangible fixed assets

	Leasehold land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2016	64,228	37,390	154,708	10,548	266,874
Additions	12,000	2,229	6,279	-	20,508
At 31 December 2016	76,228	39,619	160,987	10,548	287,382
Depreciation and impairment					
At 1 January 2016	-	21,249	78,721	3,718	103,688
Depreciation charged in the year	25,574	3,486	19,702	1,707	50,469
At 31 December 2016	25,574	24,735	98,423	5,425	154,157
Carrying amount					
At 31 December 2016	50,654	14,884	62,564	5,123	133,225
At 31 December 2015	64,228	16,141	75,987	6,830	163,186

4 Debtors

	2016	2015
	£	£
Amounts falling due within one year:		
Trade debtors	225,855	323,671
Other debtors	132,739	15,392
Prepayments and accrued income	40,865	17,501
	399,459	356,564

STURDEE COMMUNITY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2016****5 Creditors: amounts falling due within one year**

	Notes	2016 £	2015 £
Obligations under finance leases		1,929	1,929
Trade creditors		126,459	65,376
Amounts due to group undertakings		2,540,607	2,320,992
Other taxation and social security		27,873	71,717
Other creditors		15,806	42,147
Accruals and deferred income		30,344	18,522
		<u>2,743,018</u>	<u>2,520,683</u>

6 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Obligations under finance leases		<u>2,279</u>	<u>3,887</u>

7 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

STURDEE COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Marc Waterman.

The auditor was UHY Hacker Young.

9 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company for its property. The company entered into a 30 year lease commencing on 1 January 2014 with annual rent of £450,000.

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

	2016	2015
	£	£
Within one year	450,000	450,000
Between two and five years	1,800,000	1,800,000
In over five years	9,900,000	10,350,000
	<u>12,150,000</u>	<u>12,600,000</u>

10 Related party transactions

Transactions with related parties

The following amounts were outstanding at the reporting end date:

	2016	2015
	£	£
Amounts owed to related parties		
Other related parties	<u>9,821</u>	<u>-</u>

STURDEE COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

10 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2016
	Balance
Amounts owed by related parties	£
Other related parties	130,341
	<u>130,341</u>

There were no amounts owed in the previous period.

11 Parent company

The immediate parent company is Glancestyle Care Homes Limited and the ultimate parent company is Glancestyle Holdings Limited. This company is controlled by its directors. Glancestyle Holdings Limited prepares group financial statements and copies can be obtained from Companies House.