

**VALLEY NURSING HOME (MPS) LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 30 APRIL 2019**

**VALLEY NURSING HOME (MPS) LIMITED**  
**REGISTERED NUMBER: NI066822**

**BALANCE SHEET**  
**AS AT 30 APRIL 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	4	43,807	22,037
<b>Current assets</b>			
Stocks		1,700	1,700
Debtors: amounts falling due within one year	5	411,603	224,376
Cash at bank and in hand	6	10,581	36,557
		<u>423,884</u>	<u>262,633</u>
Creditors: amounts falling due within one year	7	(550,949)	(374,100)
<b>Net current liabilities</b>		<u>(127,065)</u>	<u>(111,467)</u>
<b>Total assets less current liabilities</b>		<u>(83,258)</u>	<u>(89,430)</u>
<b>Provisions for liabilities</b>			
Deferred tax	8	(5,229)	(1,781)
<b>Net liabilities</b>		<u>(88,487)</u>	<u>(91,211)</u>
<b>Capital and reserves</b>			
Called up share capital	9	4	4
Profit and loss account		(88,491)	(91,215)
		<u>(88,487)</u>	<u>(91,211)</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 Company has opted not to file the statement of comprehensive income in accordance with 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 on 27 April 2020.

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**P Warren-Gray**  
 Director

The notes on pages 3 to 9 form part of these financial statements.

# **VALLEY NURSING HOME (MPS) LIMITED**

## **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2019**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 May 2018	4	(91,215)	(91,211)
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,724	2,724
<b>Total comprehensive income for the year</b>	-	2,724	2,724
<b>Total transactions with owners</b>	-	-	-
<b>At 30 April 2019</b>	<b>4</b>	<b>(88,491)</b>	<b>(88,487)</b>

The notes on pages 3 to 9 form part of these financial statements.

## **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2018**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 May 2017	4	(109,554)	(109,550)
<b>Comprehensive income for the year</b>			
Profit for the year	-	18,339	18,339
<b>Total comprehensive income for the year</b>	-	18,339	18,339
<b>Total transactions with owners</b>	-	-	-
<b>At 30 April 2018</b>	<b>4</b>	<b>(91,215)</b>	<b>(91,211)</b>

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019**

**1. General information**

Valley Nursing Home (MPS) Limited is a private company incorporated in England and Wales. The Company's registered office is C/O C & H Jefferson, Norwich Union House, 7 Fountain Street, Belfast, BT1 5EA. The Company's registration number is NI066822. Its principal activity is the provision of 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 Directors believe that the Company's financial statements should be prepared on a going concern basis and have considered a period of twelve months from the date of approval of these financial statements.

Whilst the Company continues to trade profitably the Group by which it is owned is reliant on the continued support of the Bank, which has a cross corporate charge across all Group entities.

Additionally, subsequent to the year end, the outbreak of Covid 19 has had a significant effect on the global economy and at the date of signing the future consequences of the outbreak on the Group cannot be accurately predicted and nor can the long term position of the Group's bankers with regards to their ongoing support.

Notwithstanding the above after reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company had adequate resources to continue in operational existence for the foreseeable future. As such the Company continues to adopt the going concern basis in preparing its financial statements however acknowledges there is material uncertainty around this relating to factors outside of its control as noted above.

**2.3 Turnover**

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year to residents of the nursing home.

Turnover is recognised when services are provided.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

2.4 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.5 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 balance sheet 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 Balance Sheet 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 balance sheet date.

2.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.7 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019

**2. Accounting policies (continued)**

**2.7 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Leasehold improvements	- 50% straight line
Plant and machinery	- 66.67% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 66.67% straight line
Computer equipment	- 20% straight line

**2.8 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

**2.9 Debtors**

Short term debtors are measured at transaction price, less any impairment.

**2.10 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.

**2.11 Creditors**

Short term creditors are measured at the transaction price.

**3. Employees**

The average monthly number of employees, including directors, during the year was 115 (2018 - 95).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019

## 4. Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>						
At 1 May 2018	10,453	83,616	29,395	17,198	5,388	146,050
Additions	31,026	16,046	-	3,989	6,580	57,641
At 30 April 2019	41,479	99,662	29,395	21,187	11,968	203,691
<b>Depreciation</b>						
At 1 May 2018	9,098	73,705	22,499	16,068	2,643	124,013
Charge for the year on owned assets	14,158	16,347	1,724	2,687	955	35,871
At 30 April 2019	23,256	90,052	24,223	18,755	3,598	159,884
<b>Net book value</b>						
At 30 April 2019	18,223	9,610	5,172	2,432	8,370	43,807
<b>At 30 April 2018</b>	1,355	9,911	6,896	1,130	2,745	22,037

Cross guarantees to the bank exist over group assets to secure group borrowings. At the year end the group indebtedness to the bank totalled £18,414,382 (2018: £19,549,710).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019

5. Debtors

	2019 £	2018 £
Trade debtors	28,929	30,795
Amounts owed by group undertakings	370,697	144,275
Amounts owed by joint ventures and associated undertakings	-	18,000
Other debtors	645	1,007
Prepayments and accrued income	11,332	30,299
	<u>411,603</u>	<u>224,376</u>

There is a provision against debtors of £2,433 (2018: £2,433).

6. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	10,581	36,557
Less: bank overdrafts	(26,425)	-
	<u>(15,844)</u>	<u>36,557</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	26,425	-
Trade creditors	319,748	178,038
Corporation tax	4,040	38,475
Other taxation and social security	44,435	47,292
Other creditors	23,704	4,459
Accruals and deferred income	132,597	105,836
	<u>550,949</u>	<u>374,100</u>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019

## 8. Deferred taxation

	2019 £
At beginning of year	(1,781)
Charged to profit or loss	(3,448)
<b>At end of year</b>	<b><u>(5,229)</u></b>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(5,475)	(2,643)
Pension surplus	246	862
	<b><u>5,229</u></b>	<b><u>1,781</u></b>

The amount of deferred tax expected to be reversed during the next year £2,991.

## 9. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
2 (2018 - 2) Ordinary shares shares of £1.00 each	2	2
1 (2018 - 1) Redeemable 'A' ordinary share of £1.00	1	1
1 (2018 - 1) Redeemable 'B' ordinary share of £1.00	1	1
	<b><u>4</u></b>	<b><u>4</u></b>

## 10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the pension 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 and amounted to £24,065 (2018: £10,875). At the balance sheet date there were amounts outstanding to the pension fund of £997 (2018: £588).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2019**

**11. Controlling party**

The Company's immediate parent company is MPS Care Limited by virtue of owning the entire issued share capital of the Company. The Company's ultimate parent company is MPS Care Group Limited, registered office:

No. 6&7 Key Point Office Village,

Nix's Hill,

Alfreton,

Derbyshire,

DE55 7FQ

The ultimate controlling party is P Warren-Gray by virtue of owning the entire issued share capital of MPS Care Group Limited.

**12. Auditors' information**

The auditors' report on the financial statements for the year ended 30 April 2019 was unqualified.

The audit report was signed on 29 April 2020 by James Delve (Senior Statutory Auditor) on behalf of Smith Cooper Audit Limited.

**Material uncertainty relating to going concern**

We draw attention to note 2.2 in the financial statements, which indicates that the uncertainty around the support of the Group's bank and the consequences of the outbreak of Covid 19. As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.