

MALVIRT LIMITED

DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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COMPANIES HOUSE

John Cumming Ross Limited
Chartered Certified Accountants
1st Floor, Kirkland House
11-15 Peterborough Road
Harrow
Middlesex
HA1 2AX

MALVIRT LIMITED

REGISTRAR

COMPANY INFORMATION

Directors Mr K B Patel
Mr K Patel

Secretary Mr K B Patel

Company number 02077889

Registered office 66 Talbot Crescent
London
NW4 4HP

Accountants John Cumming Ross Limited
Chartered Certified Accountants
1st Floor, Kirkland House
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**ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION
OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF MALVIRT LIMITED
FOR THE YEAR ENDED 31 MARCH 2017**

The following reproduces text of the accountants' Report prepared in respect of the company's annual unaudited financial statements, from which the unaudited financial statements set out on pages 2 to 8 have been extracted.

"In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Malvirt Limited for the year ended 31 March 2017 set out on pages 3 to 11 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at http://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf

Our work has been undertaken solely to prepare for your approval the financial statements of Malvirt Limited and state those matters that we have agreed to state to the Board of Directors of Malvirt Limited, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/factsheet163>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Malvirt Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Malvirt Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Malvirt Limited. You consider that Malvirt Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Malvirt Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



John Cumming Ross Limited
Chartered Certified Accountants
1st Floor, Kirkland House
11-15 Peterborough Road
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Middlesex
HA1 2AX "
21/12/2017

MALVIRT LIMITED*REGISTRAR***BALANCE SHEET****AS AT 31 MARCH 2017**

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets	3		1		1
Tangible assets	4		1,319,283		1,341,499
Current assets					
Debtors	5	53,420		8,356	
Cash at bank and in hand		79,675		77,444	
		<u>133,095</u>		<u>85,800</u>	
Creditors: amounts falling due within one year	6	<u>(172,187)</u>		<u>(69,341)</u>	
Net current (liabilities)/assets			<u>(39,092)</u>		<u>16,459</u>
Total assets less current liabilities			1,280,192		1,357,959
Creditors: amounts falling due after more than one year	7		(871,407)		(1,005,138)
Provisions for liabilities	9		-		(15,494)
Net assets			<u>408,785</u>		<u>337,327</u>
Capital and reserves					
Called up share capital			50,000		50,000
Profit and loss reserves			358,785		287,327
Total equity			<u>408,785</u>		<u>337,327</u>

The directors of the company have taken advantage under section 444 of the Companies Act 2006 to not deliver the profit and loss account and the directors' report within the financial statements.

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

MALVIRT LIMITED

REGISTRAR

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2017

The financial statements were approved by the board of directors and authorised for issue on 21/12/17
and are signed on its behalf by:



.....
Mr K B Patel
Director

Company Registration No. 02077889

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

1 Accounting policies**Company information**

Malvirt Limited is a private company limited by shares incorporated in England and Wales. The registered office is 66 Talbot Crescent, London, NW4 4HP.

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.

These financial statements for the year ended 31 March 2017 are the first financial statements of Malvirt Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover is recognised at the value of the consideration received or receivable for services provided in operating of the care home.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life.

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:

Freehold properties	0% p.a. on straight line basis
Fixtures, fittings & equipment	15% p.a. on straight line basis
Motor vehicles	25% p.a. on straight line basis

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.

The company has taken advantage of the transitional provision in FRS 102 to show freehold buildings at historic cost.

1.5 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.

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

1 Accounting policies**(Continued)****1.6 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, trade and other creditors and loans from banks and shareholders.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

1.7 Taxation

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

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.

1.8 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.9 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 28 (2016 - 28).

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2016 and 31 March 2017	52,500
Amortisation and impairment	
At 1 April 2016 and 31 March 2017	52,499
Carrying amount	
At 31 March 2017	1
At 31 March 2016	1

4 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 April 2016 and 31 March 2017	1,253,088	115,145	1,368,233
Depreciation and impairment			
At 1 April 2016	-	26,734	26,734
Depreciation charged in the year	-	22,216	22,216
At 31 March 2017	-	48,950	48,950
Carrying amount			
At 31 March 2017	1,253,088	66,195	1,319,283
At 31 March 2016	1,253,088	88,411	1,341,499

MALVIRT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

5 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	3,311	2,356
Other debtors	32,769	6,000
	<u>36,080</u>	<u>8,356</u>
Deferred tax asset	17,340	-
	<u>53,420</u>	<u>8,356</u>

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	144,699	10,513
Corporation tax	60	-
Other taxation and social security	7,161	7,673
Other creditors	20,267	51,155
	<u>172,187</u>	<u>69,341</u>

7 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	-	144,975
Other creditors	871,407	860,163
	<u>871,407</u>	<u>1,005,138</u>

The total amount of creditors for which security has been provided amounted to £200,385 (2016: £220,742). Bank loans are secured against the freehold buildings and Birchwood Care Services Limited, a company with common shareholders, has provided a cross guarantee. Hire purchase creditor is secured against the motor vehicle.

8 Finance lease obligations

	2017	2016
	£	£
Future minimum lease payments due under finance leases:		
Within one year	9,568	9,568
In two to five years	46,118	55,686
	<u>55,686</u>	<u>65,254</u>

9 Deferred taxation

	Liabilities	Liabilities	Assets	Assets
	2017	2016	2017	2016
Balances:	£	£	£	£
Accelerated capital allowances	-	15,494	14,778	-
Tax losses	-	-	2,562	-
	<u>-</u>	<u>-</u>	<u>17,340</u>	<u>-</u>
	<u>-</u>	<u>15,494</u>	<u>17,340</u>	<u>-</u>
	<u>-</u>	<u>15,494</u>	<u>17,340</u>	<u>-</u>
Movements in the year:				2017 £
Liability at 1 April 2016				15,494
Credit to profit or loss				(32,834)
Liability/(Asset) at 31 March 2017				<u>(17,340)</u>

The only movements in reserves for the year are profit for the year and dividends paid. In the prior year the only movements related to profit for the year.

Mr K B Patel £212,000 (2016:£212,000)