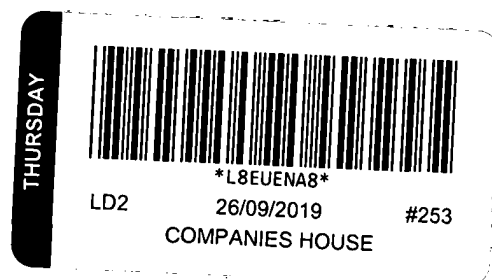


**PINEHURST CARE LIMITED**

**Annual report and financial statements**

**Year ended 31 December 2018**



**PINEHURST CARE LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**Year ended 31 December 2018**

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**PINEHURST CARE LIMITED**

**OFFICERS AND PROFESSIONAL ADVISERS**

**Year ended 31 December 2018**

**DIRECTOR**

Colin Haig

**COMPANY SECRETARY**

Colin Haig

**REGISTERED OFFICE**

523 Highgate Studios  
53-79 Highgate Road  
London  
NW5 1TL

**BANKERS**

NatWest Bank Plc  
208 Piccadilly  
London W1A 2DG

**INDEPENDENT AUDITOR**

Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2A 1AG

# **PINEHURST CARE LIMITED**

## **DIRECTOR'S REPORT**

**Year ended 31 December 2018**

The Director presents their report and the audited financial statements for the financial year ended 31 December 2018.

The Director's report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime under section 414B of the Companies Act 2006 and so does not include a strategic report.

### **PRINCIPAL ACTIVITY**

The principal activity of the Company in the year under review was that of running a care home for the elderly. The Company will continue to run care homes in the foreseeable future.

### **FINANCIAL RISK MANAGEMENT**

The Company's principal financial instruments comprise sterling cash and bank deposits and inter-Company loans, together with trade debtors and creditors arising from normal operations.

The Company's activities are not exposed to interest rate risk as its long-term financing from other group companies is interest free.

The Company has no exposure to price or currency risk as it has no equity investments or foreign currency balances. The credit risk attributable to trade debtors is minimal as a large percentage of its fees are paid by local authorities and the experience of bad debt on private residents has been minimal.

### **FINANCIAL RESULTS AND DIVIDENDS**

The results for the financial year are set out on page 6.

The Director does not recommend the payment of a dividend (2017: nil).

### **FUTURE DEVELOPMENTS**

The high standards of care delivered; together with growth in profitability are continuing priorities for the future.

### **GOING CONCERN**

After making detailed enquiries, and in consideration of their assessment of the company's financial position, and having reviewed the forecast cash flows, the Director has concluded that they have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future and no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern.

Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **DIRECTORS**

The Directors who held office during the year and up to the date of signing the financial statements are given below:

Paul Musgrave (resigned on 26 February 2019)

Colin Haig

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

The Director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws).

Under company law the Director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing these financial statements, the Director is required to:

# **PINEHURST CARE LIMITED**

## **DIRECTOR'S REPORT (CONTINUED)**

**Year ended 31 December 2018**

### **DIRECTOR'S RESPONSIBILITY STATEMENT (CONTINUED)**

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Director is 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.

The Director confirms that:

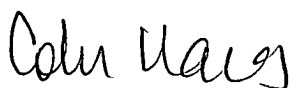
- so far as the Director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Director is responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **INDEPENDENT AUDITOR**

Grant Thornton UK LLP is the Company's auditor. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board



Colin Haig  
Director  
23rd August 2019

## **Independent auditor's report to the members of Pinehurst Care Limited**

### **Opinion**

We have audited the financial statements of Pinehurst Care Limited (the 'company') for the year ended 31 December 2018, which comprise the statement of comprehensive income, the balance sheet, the statement of comprehensive income, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The Director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's report has been prepared in accordance with applicable legal requirements.

## **Independent auditor's report to the members of Pinehurst Care Limited (continued)**

### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the Director's report and from the requirement to prepare a strategic report.

### **Responsibilities of the Director for the financial statements**

As explained more fully in the Director's responsibilities statement, set out on pages 3 and 4, the Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

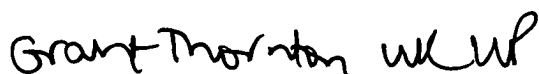
### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Richard Hagley BSc FCA**  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

Date 23 August 2019

# PINEHURST CARE LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2018

	Note	2018 £	2017 £
Turnover	5	2,087,459	2,054,225
Cost of sales		(1,075,288)	(1,100,021)
<b>Gross profit</b>		<b>1,012,171</b>	<b>954,204</b>
Administrative expenses		(343,426)	(331,657)
<b>Operating profit and profit on ordinary activities before taxation</b>	6	<b>668,745</b>	<b>622,547</b>
Tax on profit on ordinary activities	8	(7,622)	30,294
<b>Profit for the financial year</b>		<b>661,123</b>	<b>652,841</b>

### Other comprehensive income

<b>Profit for the financial year</b>	<b>661,123</b>	<b>652,841</b>
Other comprehensive income	-	-
Other comprehensive income for the year, net of tax	-	-
<b>Total comprehensive income for the year</b>	<b>661,123</b>	<b>652,841</b>

All profits derive from continuing operations.

The notes on pages 9 to 16 form an integral part of the financial statements. The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.



# PINEHURST CARE LIMITED

## BALANCE SHEET

As at 31 December 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	9	1,497,164	1,485,245
		1,497,164	1,485,245
<b>Current assets</b>			
Debtors	10	5,199,744	4,471,749
Cash at bank and in hand		37,615	87,954
		5,237,359	4,559,703
<b>Creditors: amounts falling due within one year</b>	11	(183,042)	(154,590)
<b>Net current assets</b>		5,054,317	4,405,113
<b>Total assets less current liabilities</b>		6,551,481	5,890,358
<b>Net assets</b>		6,551,481	5,890,358
<b>Capital and reserves</b>			
Called up share capital	12	311,905	311,905
Share premium account		178,095	178,095
Capital Contribution		273,767	273,767
Profit and loss account		5,787,714	5,126,591
<b>Total shareholder's funds</b>		6,551,481	5,890,358

The financial statements of Pinehurst Care Limited, registered number 03054652, were approved by the Director and authorised for issue on 23rd August 2019. The notes on pages 9 to 16 form an integral part of the financial statements. The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.



Colin Haig  
Director

# PINEHURST CARE LIMITED

## STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2018

	Called up Share capital	Share premium account	Capital contribution	Profit and loss account	Total equity
	£	£	£	£	£
<b>Balance at 31 December 2017</b>	<b>311,905</b>	<b>178,095</b>	<b>273,767</b>	<b>5,126,591</b>	<b>5,890,358</b>
<b>Total comprehensive income for the period</b>					
Profit for the year	-	-	-	661,123	661,123
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>661,123</b>	<b>661,123</b>
<b>Balance at 31 December 2018</b>	<b>311,905</b>	<b>178,095</b>	<b>273,767</b>	<b>5,787,714</b>	<b>6,551,481</b>
	Called up Share capital	Share premium account	Capital contribution	Profit and loss account	Total equity
	£	£	£	£	£
<b>Balance at 31 December 2016</b>	<b>311,905</b>	<b>178,095</b>	<b>273,767</b>	<b>4,473,750</b>	<b>5,237,517</b>
<b>Total comprehensive income for the period</b>					
Profit or loss	-	-	-	652,841	652,841
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>652,841</b>	<b>652,841</b>
<b>Transactions with owners, recorded directly in equity</b>					
Dividends	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-
<b>Balance at 31 December 2017</b>	<b>311,905</b>	<b>178,095</b>	<b>273,767</b>	<b>5,126,591</b>	<b>5,890,358</b>

The notes on pages 9 to 16 form an integral part of the financial statements. The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 December 2018**

**1. GENERAL INFORMATION**

Pinehurst Care Limited (the "Company") is a Company limited by shares incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Director's report on page 2.

**2. STATEMENT OF COMPLIANCE**

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with FRS 102.

**(b) Going concern**

After making detailed enquiries, and in consideration of their assessment of the company's financial position, and having reviewed the forecast cash flows, the Director has concluded that they have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future and no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern.

Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**(c) Exemptions for qualifying entities**

The Company's ultimate parent undertaking, Newco A 13 Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Newco A 13 Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from Highgate Studios, Studio 523, 53-79 Highgate Road, London, NW5 1TL. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Newco A 13 Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

**(d) Turnover**

Turnover represents fees receivable for nursing and personal care from public authorities and private individuals, which are exempt from value added tax. Turnover from the supply of these services is recognised upon provision of service.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**Year ended 31 December 2018**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(e) Tangible fixed assets and depreciation**

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

**(i) Land & buildings**

Land and buildings are stated at cost less accumulated depreciation and accumulated impairment losses.

**(ii) Fixtures, fittings and equipment**

Plant and machinery, motor vehicles and fixtures, fittings and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

**(iii) Depreciation and residual values**

Land is not depreciated. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	-	Not depreciated
Freehold buildings	-	2% straight line
Plant and machinery	-	15% straight line
Motor vehicles	-	25% reducing balance
Fixture, fittings & equipment	-	15%-33%straight line

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

**(f) Taxation**

Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

**(i) Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**(ii) Deferred tax**

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

**(g) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly 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)**

**Year ended 31 December 2018**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(h) Financial instruments**

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

**(i) Financial assets**

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

Other financial assets are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the statement of comprehensive income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**(ii) Financial liabilities**

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares, 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 receipts discounted at a market rate of interest.

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. Accounts 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.

**(iii) Offsetting**

Financial assets and liabilities are offset and the net amounts presented in the financial statements 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 to liability simultaneously.

**(i) Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(j) Distributions to equity holders**

Dividends and other distributions to Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognised in the statement of changes in equity.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**Year ended 31 December 2018**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(k) Related party transactions**

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

**(l) Operating leases**

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged the statement of comprehensive income on a straight-line basis over the period of the lease.

**(m) Employee benefits**

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

**(i) Short term benefits**

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

**(ii) Defined contribution pension plans**

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 when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical judgements in applying the entity's accounting policies**

The Director has assessed the application of the going concern basis in the preparation of the financial statements. Please see note 3(b) for further details.

**(b) Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**(i) Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the property plant and equipment and note 3(e) for the useful economic lives for each class of assets.

**(ii) Impairment of debtors**

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

**5. TURNOVER**

The total turnover of the Company for the year and preceding year has been derived from its principal activity wholly undertaken in the United Kingdom.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**Year ended 31 December 2018**

**6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

Profit on ordinary activities before taxation is stated after charging/ (crediting):

	2018 £	2016 £
Depreciation of owned tangible fixed assets	58,535	56,462
Operating lease rentals – other	12,676	11,844
Operating lease rentals – land and buildings	12,000	12,000
Auditors' remuneration - audit fee	7,501	6,998
Auditors' remuneration – tax compliance fees	3,000	3,000

**7. STAFF COSTS**

**Number of employees**

The average monthly number of employees (including Directors) during the year was:

	2018 Number	2017 Number
Administration and nursing	38	39

	2018 £	2017 £
<b>Employment costs</b>		
Wages and salaries	890,523	922,095
Social security costs	80,346	86,135
Other pension costs	10,574	6,717
	981,443	1,014,947

Director's emoluments are paid via another Group Company. The amounts attributable to this Company are £24,298 (2017: £31,639). The value of their services for the Company during the year, if allocated to the Company, would be £24,298 (2017: £31,639).

**8. TAX ON PROFIT ON ORDINARY ACTIVITIES**

**(a) Analysis of the tax charge in the year**

	2018 £	2017 £
<b>Current tax:</b>		
UK corporation tax	11,400	76,986
Adjustments in respect of prior periods	(16,997)	(111,953)
<b>Total current tax</b>	(5,597)	(34,967)
<b>Timing differences</b>	13,219	4,673
<b>Total deferred tax</b>	13,219	4,673
<b>Total tax charge for the year (note 8(b))</b>	7,622	(30,294)

# PINEHURST CARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2018

### 8. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

#### (b) Factors affecting the tax charge for the year

The tax assessed for the year is lower (2017: lower) than the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)

Profit on ordinary activities before taxation	668,745	622,547
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2017: 19.25%)	127,062	119,819
Effects of		
Fixed asset differences	8,853	8,618
Adjustments in respect of prior periods	(16,997)	(111,953)
Group relief (not paid for)	(109,851)	(46,054)
Other movements	(1)	-
Deferred tax not recognised	190	(94)
Effect of tax rate change – deferred tax	(1,544)	(630)
Adjustments in respect of prior periods – deferred tax	(90)	-
<b>Total tax</b>	<b>7,622</b>	<b>(30,294)</b>

#### (c) Factors that may affect future tax charges

There are no future changes which are considered to have a material impact on future tax charges.

### 9. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>				
At 1 January 2018	1,839,909	42,686	364,541	2,268,790
Additions	12,826	4,260	53,368	70,454
At 31 December 2018	1,852,735	46,946	417,909	2,339,244
<b>Accumulated depreciation</b>				
At 1 January 2018	478,513	34,741	248,637	783,545
Charge for the year	22,000	4,197	32,338	58,535
At 31 December 2018	500,513	38,938	280,975	842,080
<b>Net book value</b>				
At 31 December 2018	1,352,222	8,008	136,934	1,497,164
At 31 December 2017	1,361,396	7,945	115,904	1,485,245

Land and buildings have been provided as security against the loan that has been undertaken by Forest Healthcare Finance Limited, a fellow group company.

### 10. DEBTORS

	2018 £	2017 £
Trade debtors	47,330	50,317
Amounts owed by group undertakings	5,141,639	4,413,319
Other debtors	1,400	-
Prepayments and accrued income	9,375	8,113
	<b>5,199,744</b>	<b>4,471,749</b>

Amounts owed by group undertakings have no fixed repayment terms, are repayable on demand and are interest free.



# PINEHURST CARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2018

### 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	6,604	41,994
Amounts owed to group undertakings	156	82
Taxation and social security	21,621	22,617
Deferred tax	30,678	17,459
Other creditors	99,080	61,371
Accruals and deferred income	24,903	11,067
	<u>183,042</u>	<u>154,590</u>

Amounts owed to group undertakings have no fixed repayment terms, are repayable on demand and are interest free.

### 12. CALLED UP SHARE CAPITAL

	2018 £	2017 £
<b>Called up, allotted and fully paid</b>		
65,500 (2017: 65,500) Ordinary 'A' shares of £1 each	65,500	65,500
62,382 (2017: 62,382) Ordinary 'B' shares of £1 each	62,382	62,382
184,023 (2017: 184,023) Ordinary 'C' shares of £1 each	184,023	184,023
	<u>311,905</u>	<u>311,905</u>

The 'A' and 'B' classes of ordinary shares have the same rights and rank pari passu in all respects.

### 13. FINANCIAL COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Other 2018 £	Other 2017 £
Within one year	-	9,534
Between one and five years	-	5,449
After five years	-	-
	<u>-</u>	<u>14,983</u>

### 14. DEFERRED TAXATION

A deferred tax liability of £30,678 (2017: £17,459) has been recognised in respect of timing differences relating to fixed assets.

### 15. FINANCIAL GUARANTEES

The Company is a guarantor to the group facility

### 16. RELATED PARTY TRANSACTIONS

The Company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the group.

There are no other transactions that require disclosure.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**Year ended 31 December 2018**

**17. RESERVES**

Called up share capital - represents the nominal value of shares that have been issued.

Share premium account – includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital contribution – this reserve represents a capital contribution received from the shareholder.

Profit and loss account – includes all current and prior period retained profits and losses.

**18. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The Director considers that the ultimate parent Company and ultimate controlling party is Newco A 13 Limited, a Company registered in England and Wales. The immediate parent undertaking is Forest Crowthorne Limited, a Company registered in England and Wales. The only group to which the Company belongs for which consolidated financial statements are prepared is Newco A 13 Limited, a Company registered in England and Wales. Copies of the consolidated financial statements of Newco A 13 Limited can be obtained from Highgate Studios, Studio 523, 53-79 Highgate Road, London, NW5 1TL.