

Registration number: 04653466

**SUTTON VENY HOUSE LIMITED**  
**STATUTORY FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

Hazlewoods LLP  
Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT



# **SUTTON VENY HOUSE LIMITED**

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## **SUTTON VENY HOUSE LIMITED**

### **COMPANY INFORMATION**

**Director** M C Bila

**Company secretary** S White

**Registered office** Mendip Court  
Bath Road  
Wells  
Somerset  
BA5 3DG

**Bankers** NatWest Bank plc  
24 – 25 Stall Street  
Bath  
BA1 1QF

**Auditors** Hazlewoods LLP  
Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

**SUTTON VENY HOUSE LIMITED**


**(REGISTRATION NUMBER: 04653466)  
BALANCE SHEET AS AT 31 MARCH 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	4	378,333	440,833
Tangible assets	5	<u>2,011,369</u>	<u>2,034,668</u>
		<u>2,389,702</u>	<u>2,475,501</u>
<b>Current assets</b>			
Stocks	6	2,725	2,725
Debtors	7	83,161	57,656
Cash at bank and in hand		<u>57,655</u>	<u>82,237</u>
		143,541	142,618
Creditors: Amounts falling due within one year	8	<u>(153,657)</u>	<u>(143,477)</u>
Net current liabilities		<u>(10,116)</u>	<u>(859)</u>
Total assets less current liabilities		2,379,586	2,474,642
Creditors: Amounts falling due after more than one year	8	(1,721,615)	(1,946,807)
Deferred tax liabilities		<u>(2,814)</u>	<u>(3,848)</u>
Net assets		<u>655,157</u>	<u>523,987</u>
<b>Capital and reserves</b>			
Called up share capital	9	8,000	8,000
Share premium reserve		296,000	296,000
Profit and loss account		<u>351,157</u>	<u>219,987</u>
Total equity		<u>655,157</u>	<u>523,987</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 23/11/17 and signed on its behalf by:

  
M C Bila  
Director

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

## **SUTTON VENY HOUSE LIMITED**

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

#### **1 General information**

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Mendip Court  
Bath Road  
Wells  
Somerset  
BA5 3DG

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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.

##### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

##### **Name of parent of group**

These financial statements are consolidated in the financial statements of MCB Investments Limited.

The financial statements of MCB Investments Limited may be obtained from Companies House.

##### **Going concern**

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

##### **Judgements and estimation uncertainty**

These financial statements do not contain any significant judgements or estimation uncertainty.

##### **Revenue recognition**

Turnover represents amounts receivable during the year for the provision of care and accommodation, where the amount received relates to a period which covers the balance sheet date, the amount is apportioned over the period to which it relates. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

## **SUTTON VENY HOUSE LIMITED**

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

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current 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 taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land	Nil
Freehold property	1% on cost
Fixtures, fittings and equipment	15% on cost

#### **Intangible assets**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Negative goodwill arising on an acquisition is recognised on the face of the balance sheet on the acquisition date and subsequently the excess up to the fair value of non-monetary assets acquired is recognised in profit or loss in the periods in which the non-monetary assets are recovered.

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	Straight line between 7.5 and 20 years

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **SUTTON VENY HOUSE LIMITED**

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

#### **Trade debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

#### **Trade creditors**

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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## SUTTON VENY HOUSE LIMITED

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

#### Financial instruments

##### **Classification**

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

##### **Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

##### **Impairment**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.



# SUTTON VENY HOUSE LIMITED

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

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was as follows:

	2017 No.	2016 No.
Administration and support	2	6
Care	72	74
	<u>74</u>	<u>80</u>

### 4 Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 April 2016 and at 31 March 2017	<u>750,000</u>
<b>Amortisation</b>	
At 1 April 2016	309,167
Amortisation charge	<u>62,500</u>
At 31 March 2017	<u>371,667</u>
<b>Carrying amount</b>	
At 31 March 2017	<u>378,333</u>
At 31 March 2016	<u>440,833</u>

### 5 Tangible assets

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
At 1 April 2016	2,115,852	280,642	2,396,494
Additions	<u>4,322</u>	<u>6,193</u>	<u>10,515</u>
At 31 March 2017	<u>2,120,174</u>	<u>286,835</u>	<u>2,407,009</u>
<b>Depreciation</b>			
At 1 April 2016	121,402	240,424	361,826
Charge for the year	<u>17,119</u>	<u>16,695</u>	<u>33,814</u>
At 31 March 2017	<u>138,521</u>	<u>257,119</u>	<u>395,640</u>
<b>Carrying amount</b>			
At 31 March 2017	<u>1,981,653</u>	<u>29,716</u>	<u>2,011,369</u>
At 31 March 2016	<u>1,994,450</u>	<u>40,218</u>	<u>2,034,668</u>

Freehold land of £406,160 (2016 - £406,160) is not depreciated.

# SUTTON VENY HOUSE LIMITED

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

### 6 Stocks

	2017 £	2016 £
Stocks	<u>2,725</u>	<u>2,725</u>

### 7 Debtors

	2017 £	2016 £
Trade debtors	55,283	18,934
Other debtors	13,240	25,127
Prepayments	<u>14,638</u>	<u>13,595</u>
	<u>83,161</u>	<u>57,656</u>

### 8 Creditors

	2017 £	2016 £
<b>Due within one year</b>		
Trade creditors	29,709	40,581
Social security and other taxes	13,445	11,989
Outstanding defined contribution pension costs	371	371
Other creditors	2,590	7,136
Accrued expenses	69,950	48,608
Corporation tax liability	<u>37,592</u>	<u>34,792</u>
	<u>153,657</u>	<u>143,477</u>
<b>Due after one year</b>		
Amounts owed to group undertakings	<u>1,721,615</u>	<u>1,946,807</u>

### 9 Share capital

#### Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £0.01 each	<u>800,000</u>	<u>8,000</u>	<u>800,000</u>	<u>8,000</u>

### 10 Pension and other schemes

#### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £4,613 (2016 - £3,822).

## SUTTON VENY HOUSE LIMITED

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

#### 11 Contingent liabilities

The company is bound by a cross company guarantee with its parent company MCB Investments Limited in respect of bank borrowings. The amount guaranteed is £6,602,509 (2016 - £4,515,628).

#### 12 Obligations under leases and hire purchase contracts

##### Operating leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	5,218	5,218
Later than one year and not later than five years	8,634	13,852
	<u>13,852</u>	<u>19,070</u>

#### 13 Parent and ultimate parent undertaking

The company's ultimate and only parent company is MCB Investments Limited, which is a company registered in England and Wales.

#### 14 Transition to FRS 102

The company's effective date of transition to FRS 102 was 1 April 2015. The latest period presented under previous UK GAAP was the financial statements for the year ended 31 March 2016. There are no transitional adjustments as a result of adopting FRS 102 for the first time.

#### 15 Disclosure under Section 444(5B) CA 2006 relating to the independent auditor's report

As permitted by Section 444 CA 2006, these accounts do not contain a copy of the company's Profit and Loss account or a copy of the Directors' Report. Accordingly, the Independent Auditors' Report has also been omitted.

The Independent Auditors' Report was unqualified. The auditor was Hazlewoods LLP and Andrew Brookes signed the auditor's report as senior statutory auditor.