

Company registration number: 04710733

Ashfield Nursing Home Limited
Unaudited filleted financial statements
31 March 2017

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Ashfield Nursing Home Limited

Contents

	Page
Directors and other information	1
Statement of financial position	2 - 3
Notes to the financial statements	4 - 12

Ashfield Nursing Home Limited

Directors and other information

Directors

J A Lowcock
I Crampton
K Dean

Secretary

J A Lowcock

Company number

04710733

Registered office

Queensgate House
23 North Park Road
Harrogate
North Yorkshire
HG1 5PD

Business address

3 Ashfield
Wetherby
West Yorkshire
LS22 7TF

Accountants

Howard Matthews Partnership
Queensgate House
23 North Park Road
Harrogate
North Yorkshire
HG1 5PD

Ashfield Nursing Home Limited

Statement of financial position 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	22,500	26,250
Tangible assets	6	41,216	42,988
		<u>63,716</u>	<u>69,238</u>
Current assets			
Stocks		4,520	4,000
Debtors	7	89,434	71,534
Cash at bank and in hand		689	41,203
		<u>94,643</u>	<u>116,737</u>
Creditors: amounts falling due within one year	8	<u>(150,903)</u>	<u>(150,905)</u>
Net current liabilities		<u>(56,260)</u>	<u>(34,168)</u>
Total assets less current liabilities		<u>7,456</u>	<u>35,070</u>
Creditors: amounts falling due after more than one year	9	(30,357)	(39,922)
Provisions for liabilities		(6,791)	(8,132)
Net liabilities		<u>(29,692)</u>	<u>(12,984)</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		(29,694)	(12,986)
Shareholders deficit		<u>(29,692)</u>	<u>(12,984)</u>

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

Directors responsibilities:

- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- 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 notes on pages 4 to 12 form part of these financial statements.

Ashfield Nursing Home Limited

Statement of financial position (continued)
31 March 2017

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on ^{4 December 2017} and are signed on behalf of the board by:



K Dean
Director

Company registration number: 04710733

The notes on pages 4 to 12 form part of these financial statements.

Ashfield Nursing Home Limited

Notes to the financial statements Year ended 31 March 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Ashfield Nursing Home, Queensgate House, 23 North Park Road, Harrogate, North Yorkshire, HG1 5PD.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The balance sheet shows that liabilities exceed assets. The accounts have been drawn up on a going concern basis and do not incorporate any adjustments that would be necessary should this prove to be inappropriate. The accounts have been prepared on a going concern basis as the company expects to continue to receive the support of the directors and the creditors.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. 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 capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Ashfield Nursing Home Limited

Notes to the financial statements (continued) Year ended 31 March 2017

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 10%	straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property improvements	- 20%	straight line
Fittings fixtures and equipment	- 25%	reducing balance
Motor vehicles	- 25%	reducing balance
Office and computer equipment	- 33.33%	straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Ashfield Nursing Home Limited

Notes to the financial statements (continued) Year ended 31 March 2017

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Ashfield Nursing Home Limited

Notes to the financial statements (continued) Year ended 31 March 2017

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss.

All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Staff costs

The average number of persons employed by the company during the year amounted to 46 (2016: 47).

Ashfield Nursing Home Limited

Notes to the financial statements (continued)
Year ended 31 March 2017

5. Intangible assets

	Goodwill	Total
	£	£
Cost		
At 1 April 2016 and 31 March 2017	75,000	75,000
Amortisation		
At 1 April 2016	48,750	48,750
Charge for the year	3,750	3,750
At 31 March 2017	52,500	52,500
Carrying amount		
At 31 March 2017	22,500	22,500
At 31 March 2016	26,250	26,250

6. Tangible assets

	Short leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Office and computer equipment £	Total £
Cost					
At 1 April 2016	1,800	115,019	6,463	3,248	126,530
Additions	-	11,368	-	789	12,157
At 31 March 2017	1,800	126,387	6,463	4,037	138,687
Depreciation					
At 1 April 2016	180	75,981	6,259	1,122	83,542
Charge for the year	360	12,602	51	916	13,929
At 31 March 2017	540	88,583	6,310	2,038	97,471
Carrying amount					
At 31 March 2017	1,260	37,804	153	1,999	41,216
At 31 March 2016	1,620	39,038	204	2,126	42,988

Ashfield Nursing Home Limited

Notes to the financial statements (continued)
Year ended 31 March 2017

7. Debtors

	2017	2016
	£	£
Trade debtors	12,850	11,359
Prepayments and accrued income	72,869	56,284
Other debtors	3,715	3,891
	<u>89,434</u>	<u>71,534</u>

8. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	9,604	9,214
Payments received on account	1,812	9,649
Trade creditors	48,522	40,220
Accruals and deferred income	16,557	15,346
Corporation tax	-	417
Social security and other taxes	16,525	17,506
Director loan accounts	314	434
Other creditors	57,569	58,119
	<u>150,903</u>	<u>150,905</u>

The bank overdraft and loan are secured by a debenture over the assets of the company and by the personal guarantee of a director.

9. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	<u>30,357</u>	<u>39,922</u>

The bank loan is secured by a debenture over the assets of the company and by the personal guarantee of a director.

Ashfield Nursing Home Limited

Notes to the financial statements (continued) Year ended 31 March 2017

10. Operating leases

The company as lessee

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

	2017 £	2016 £
Not later than 1 year	671	1,183
Later than 1 year and not later than 5 years	17,663	27,197
	<u>18,334</u>	<u>28,380</u>

11. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2017		
	Balance brought forward	Advances /(credits) to the directors	Balance o/standing
	£	£	£
J A Lowcock	(434)	150	(284)
K Dean	-	(30)	(30)
	<u>(434)</u>	<u>120</u>	<u>(314)</u>
	2016		
	Balance brought forward	Advances /(credits) to the directors	Balance o/standing
	£	£	£
J A Lowcock	(504)	70	(434)
K Dean	2,984	(2,984)	-
	<u>2,480</u>	<u>(2,914)</u>	<u>(434)</u>

12. Related party transactions

The business premises are owned by Mrs J Lowcock and the executors of the late Mr P Lowcock. Rent of £63,500 (2016 - £60,000) was paid by the company.

Ashfield Nursing Home Limited

Notes to the financial statements (continued)
Year ended 31 March 2017

13. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

Reconciliation of equity

	At 1 April 2015			At 31 March 2016		
	Previously stated £	Effect of transition £	FRS 102 (restated) £	Previously stated £	Effect of transition £	FRS 102 (restated) £
Fixed assets	55,316	-	55,316	69,238	-	69,238
Current assets	94,160	-	94,160	116,737	-	116,737
Creditors amounts falling due within 1 year	(134,037)	-	(134,037)	(149,152)	(1,753)	(150,905)
Net current liabilities	(39,877)	-	(39,877)	(32,415)	(1,753)	(34,168)
Total assets less current liabilities	15,439	-	15,439	36,823	(1,753)	35,070
Creditors amounts falling due after more than 1 year	(28,424)	-	(28,424)	(39,922)	-	(39,922)
Provisions for liabilities	(4,496)	-	(4,496)	(8,132)	-	(8,132)
Net liabilities	(17,481)	-	(17,481)	(11,231)	(1,753)	(12,984)
Equity	(17,481)	-	(17,481)	(11,231)	(1,753)	(12,984)

Ashfield Nursing Home Limited

Notes to the financial statements (continued)

Year ended 31 March 2017

Reconciliation of profit or loss for the year

	At 31 March 2016		
	Previously stated	Effect of transition	FRS 102 (restated)
	£	£	£
Turnover	1,099,836	-	1,099,836
Cost of sales	(650,089)	-	(650,089)
Gross profit	449,747	-	449,747
Administrative expenses	(437,324)	(1,753)	(439,077)
Operating profit	12,423	(1,753)	10,670
Interest payable and similar expenses	(2,120)	-	(2,120)
Tax on Profit	(4,053)	-	(4,053)
Profit after taxation	6,250	(1,753)	4,497
Profit for the financial year	6,250	(1,753)	4,497

In accordance with the provisions of FRS 102, a holiday pay accrual adjustment has been included.