

REGISTERED NUMBER: 04833014 (England and Wales)

**Report of the Directors and
Financial Statements
for the Year Ended 28 February 2019
for
REGENCY HEALTHCARE LIMITED**

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FOR THE YEAR ENDED 28 FEBRUARY 2019**

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REGENCY HEALTHCARE LIMITED

Company Information FOR THE YEAR ENDED 28 FEBRUARY 2019

DIRECTORS:	A I Alvi M F Chauhdry
SECRETARY:	A I Alvi
REGISTERED OFFICE:	Bankside Lane Bacup Lancashire OL13 8GT
REGISTERED NUMBER:	04833014 (England and Wales)
ACCOUNTANTS:	Sterling Associates Chartered Accountants 5 Theobald Court Theobald Street Elstree Hertfordshire WD6 4RN
BANKERS:	National Westminster Bank Plc St Albans Branch 10 St Peters Street St Albans Hertfordshire AL1 3LY

**Report of the Directors
FOR THE YEAR ENDED 28 FEBRUARY 2019**

The directors present their report with the financial statements of the company for the year ended 28 February 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of nursing homecare services.

FUTURE DEVELOPMENTS

The reliance of elderly and local councils on private care homes continues to drive an overall market that consistently grows faster than GDP. However, it remains a highly competitive market place that puts pressure on margins and client acquisition and retention.

Against this model the company is focused on improving the care facilities and equipment so residents can be provided exceptional care services to keep the company a step ahead of its competitors.

The employees of the company continue to be at the centre of delivering a differentiated care service and there is strong commitment to personal growth and development.

Whilst times remain challenging, the UK's economic indicators bode well, therefore we expect expansion for the foreseeable future.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 March 2018 to the date of this report.

A I Alvi
M F Chauhdry

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise bank balances, bank loans, trade debtors, trade creditors and other loans to the company.

In respect bank balances, the liquidity risk is maintaining a balance between the continuity of funding and flexibility through the use of overdrafts when required.

The loans are from financial institutions and the company manages the liquidity risk by ensuring there are sufficient funds to meet the repayments.

Trade debtors are managed in respect of credit and cash flow risks by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring that sufficient funds are available to meet the payments due.

POLITICAL DONATIONS AND EXPENDITURE

During the year company made donations of £2,297 (2018: £751) to various UK registered charities like Penny Appeal.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A I Alvi - Director

29 November 2019

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Regency Healthcare Limited**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Regency Healthcare Limited for the year ended 28 February 2019 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Regency Healthcare Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Regency Healthcare Limited and state those matters that we have agreed to state to the Board of Directors of Regency Healthcare Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Regency Healthcare Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Regency Healthcare 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 Regency Healthcare Limited. You consider that Regency Healthcare 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 Regency Healthcare 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.

Sterling Associates
Chartered Accountants
5 Theobald Court
Theobald Street
Elstree
Hertfordshire
WD6 4RN

29 November 2019

REGENCY HEALTHCARE LIMITED (REGISTERED NUMBER: 04833014)

**Income Statement
FOR THE YEAR ENDED 28 FEBRUARY 2019**

	Notes	2019 £	2018 £
TURNOVER		3,085,964	3,081,894
Cost of sales		<u>2,281,637</u>	<u>2,210,367</u>
GROSS PROFIT		804,327	871,527
Administrative expenses		<u>675,770</u>	<u>729,353</u>
		128,557	142,174
Other operating income		<u>85,000</u>	<u>60,000</u>
OPERATING PROFIT	4	213,557	202,174
Interest payable and similar expenses	5	<u>43,689</u>	<u>52,000</u>
PROFIT BEFORE TAXATION		169,868	150,174
Tax on profit	6	<u>38,910</u>	<u>107,078</u>
PROFIT FOR THE FINANCIAL YEAR		<u>130,958</u>	<u>43,096</u>

The notes form part of these financial statements

**Other Comprehensive Income
FOR THE YEAR ENDED 28 FEBRUARY 2019**

	Notes	2019 £	2018 £
PROFIT FOR THE YEAR		130,958	43,096
OTHER COMPREHENSIVE INCOME			
Unrealised surplus on revaluation of freehold property	9	338,223	-
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		338,223	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		469,181	43,096

Statement of Financial Position
28 FEBRUARY 2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Intangible assets	7		1		1
Tangible assets	8		<u>3,022,608</u>		<u>2,737,817</u>
			<u>3,022,609</u>		<u>2,737,818</u>
CURRENT ASSETS					
Stocks	9	11,230		10,900	
Debtors	10	586,428		633,788	
Cash at bank and in hand		<u>6,187</u>		<u>5,449</u>	
		<u>603,845</u>		<u>650,137</u>	
CREDITORS					
Amounts falling due within one year	11	<u>1,153,950</u>		<u>1,149,901</u>	
NET CURRENT LIABILITIES			<u>(550,105)</u>		<u>(499,764)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,472,504</u>		<u>2,238,054</u>
CREDITORS					
Amounts falling due after more than one year	12		<u>(1,335,011)</u>		<u>(1,518,928)</u>
PROVISIONS FOR LIABILITIES	16		<u>(39,837)</u>		<u>(35,651)</u>
NET ASSETS			<u><u>1,097,656</u></u>		<u><u>683,475</u></u>
CAPITAL AND RESERVES					
Called up share capital	17		1,002		1,002
Revaluation reserve	18		338,223		-
Capital redemption reserve	18		1		1
Retained earnings	18		<u>758,430</u>		<u>682,472</u>
SHAREHOLDERS' FUNDS			<u><u>1,097,656</u></u>		<u><u>683,475</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

Statement of Financial Position - continued
28 FEBRUARY 2019

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 29 November 2019 and were signed on its behalf by:

A I Alvi - Director

M F Chauhdry - Director

REGENCY HEALTHCARE LIMITED (REGISTERED NUMBER: 04833014)

**Statement of Changes in Equity
FOR THE YEAR ENDED 28 FEBRUARY 2019**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 March 2017	1,002	694,376	-	1	695,379
Changes in equity					
Dividends	-	(55,000)	-	-	(55,000)
Total comprehensive income	-	43,096	-	-	43,096
Balance at 28 February 2018	1,002	682,472	-	1	683,475
Changes in equity					
Dividends	-	(55,000)	-	-	(55,000)
Total comprehensive income	-	130,958	338,223	-	469,181
Balance at 28 February 2019	1,002	758,430	338,223	1	1,097,656

The notes form part of these financial statements

**Notes to the Financial Statements
FOR THE YEAR ENDED 28 FEBRUARY 2019**

1. STATUTORY INFORMATION

Regency Healthcare Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Rendering of services

Revenue for services rendered is recognised when the outcome of a transaction involving the rendering of services can be estimated reliably, the Company recognises revenue associated with the transaction by reference to the duration elapsed of the care agreement at the end of the reporting period.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 28 FEBRUARY 2019

2. ACCOUNTING POLICIES - continued

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 and creditors, loans from banks and other third parties and loans to related parties. Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at amortised cost and 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 the Consolidated statement of comprehensive income. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

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 measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 28 FEBRUARY 2019

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Significant judgements and estimates

The preparation of the financial statements require management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include fixed assets depreciation policies, stock provisions and management charges to related entities.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Provision for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position

3. EMPLOYEES AND DIRECTORS

	2019 £	2018 £
Wages and salaries	1,984,072	1,929,205
Social security costs	118,587	103,824
Other pension costs	31,617	23,336
	<u>2,134,276</u>	<u>2,056,365</u>

The average number of employees during the year was as follows:

	2019	2018
Care home staff	157	161
Office and administration	5	5
	<u>162</u>	<u>166</u>

	2019 £	2018 £
Directors' remuneration	<u>22,291</u>	<u>23,085</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 28 FEBRUARY 2019

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	85,879	155,863
Goodwill amortisation	-	13,322

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2019	2018
	£	£
Bank loan interest	31,345	31,964
Other Loan Interest	11,504	19,920
Interest on overdue tax	840	116
	<u>43,689</u>	<u>52,000</u>

6. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	34,724	45,007
Tax adjustment - prior years	-	(6,914)
Total current tax	<u>34,724</u>	<u>38,093</u>
Deferred tax	4,186	68,985
Tax on profit	<u>38,910</u>	<u>107,078</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019	2018
	£	£
Profit before tax	<u>169,868</u>	<u>150,174</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	32,275	28,533
Effects of:		
Expenses not deductible for tax purposes	73	275
Depreciation in excess of capital allowances	2,376	15,999
Deferred Tax	4,186	62,071
Other adjustments	-	200
Total tax charge	<u>38,910</u>	<u>107,078</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 28 FEBRUARY 2019

6. **TAXATION - continued**

Tax effects relating to effects of other comprehensive income

		Gross £	2019 Tax £	Net £
Unrealised surplus on revaluation of freehold property	9	<u>338,223</u>	<u>-</u>	<u>338,223</u>
		<u>338,223</u>	<u>-</u>	<u>338,223</u>

7. **INTANGIBLE FIXED ASSETS**

			Goodwill £
COST			
At 1 March 2018			
and 28 February 2019			<u>468,043</u>
AMORTISATION			
At 1 March 2018			
and 28 February 2019			<u>468,042</u>
NET BOOK VALUE			
At 28 February 2019			<u>1</u>
At 28 February 2018			<u>1</u>

8. **TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Plant and machinery £
COST OR VALUATION			
At 1 March 2018	3,161,777	24,595	237,960
Additions	-	-	13,146
Revaluations	<u>338,223</u>	<u>-</u>	<u>-</u>
At 28 February 2019	<u>3,500,000</u>	<u>24,595</u>	<u>251,106</u>
DEPRECIATION			
At 1 March 2018	463,690	4,430	233,074
Charge for year	<u>63,235</u>	<u>492</u>	<u>5,475</u>
At 28 February 2019	<u>526,925</u>	<u>4,922</u>	<u>238,549</u>
NET BOOK VALUE			
At 28 February 2019	<u>2,973,075</u>	<u>19,673</u>	<u>12,557</u>
At 28 February 2018	<u>2,698,087</u>	<u>20,165</u>	<u>4,886</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 28 FEBRUARY 2019

8. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION				
At 1 March 2018	385,000	1,600	20,841	3,831,773
Additions	19,301	-	-	32,447
Revaluations	-	-	-	338,223
At 28 February 2019	<u>404,301</u>	<u>1,600</u>	<u>20,841</u>	<u>4,202,443</u>
DEPRECIATION				
At 1 March 2018	370,322	1,600	20,840	1,093,956
Charge for year	16,677	-	-	85,879
At 28 February 2019	<u>386,999</u>	<u>1,600</u>	<u>20,840</u>	<u>1,179,835</u>
NET BOOK VALUE				
At 28 February 2019	<u>17,302</u>	<u>-</u>	<u>1</u>	<u>3,022,608</u>
At 28 February 2018	<u>14,678</u>	<u>-</u>	<u>1</u>	<u>2,737,817</u>

Cost or valuation at 28 February 2019 is represented by:

	Freehold property £	Improvements to property £	Plant and machinery £
Valuation in 2019	338,223	-	-
Cost	<u>3,161,777</u>	<u>24,595</u>	<u>251,106</u>
	<u>3,500,000</u>	<u>24,595</u>	<u>251,106</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2019	-	-	-	338,223
Cost	<u>404,301</u>	<u>1,600</u>	<u>20,841</u>	<u>3,864,220</u>
	<u>404,301</u>	<u>1,600</u>	<u>20,841</u>	<u>4,202,443</u>

Directors are of the view that freehold property is valued at 3,500,000 as at 28 February 2019.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 28 FEBRUARY 2019

8. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST OR VALUATION				
At 1 March 2018 and 28 February 2019	<u>18,743</u>	<u>2,730</u>	<u>4,810</u>	<u>26,283</u>
DEPRECIATION				
At 1 March 2018 and 28 February 2019	<u>18,742</u>	<u>2,729</u>	<u>4,809</u>	<u>26,280</u>
NET BOOK VALUE				
At 28 February 2019	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>
At 28 February 2018	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>

9. **STOCKS**

	2019 £	2018 £
Stocks	<u>11,230</u>	<u>10,900</u>

10. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade debtors	169,819	249,414
Twilight Healthcare Limited	192,885	168,509
Regency Healthcare LLP	200,784	191,272
Prepayments	<u>22,940</u>	<u>24,593</u>
	<u>586,428</u>	<u>633,788</u>

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

	2019 £	2018 £
Bank loans and overdrafts (see note 13)	327,862	284,866
Trade creditors	98,209	94,175
Tax	75,985	45,007
Social security and other taxes	36,183	36,895
Other creditors	186,242	203,812
Regency Healthcare (NW) Ltd	-	41,161
Directors' current accounts	178,801	135,191
Accruals and deferred income	9,000	-
Accrued expenses	<u>241,668</u>	<u>308,794</u>
	<u>1,153,950</u>	<u>1,149,901</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 28 FEBRUARY 2019

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Bank loans (see note 13)	<u>1,335,011</u>	<u>1,518,928</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank Loans - Due over 5 Years	<u>778,383</u>	<u>887,278</u>

13. LOANS

An analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year or on demand:		
Bank overdrafts	141,975	97,009
Bank loans	<u>185,887</u>	<u>187,857</u>
	<u>327,862</u>	<u>284,866</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>185,887</u>	<u>187,857</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>370,741</u>	<u>443,793</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank Loans - Due over 5 Years	<u>778,383</u>	<u>887,278</u>

14. SECURED DEBTS

The following secured debts are included within creditors:

	2019 £	2018 £
Bank overdrafts	141,975	97,009
Bank loans	<u>1,520,898</u>	<u>1,706,785</u>
	<u>1,662,873</u>	<u>1,803,794</u>

The Bank Loan is secured by a legal charge over the company's property and interest is charged between 1.40% to 1.625% above the prevailing base rate.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 28 FEBRUARY 2019

15. FINANCIAL INSTRUMENTS

	2019 £	2018 £
Financial assets		
Financial assets measured at amortised costs	569,675	614,643
Financial liabilities		
Financial liabilities measured at amortised cost	1,947,325	2,142,943

Financial assets that measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors and amounts owed by the related undertakings.

Financial liabilities that measured at amortised cost comprise bank overdraft, trade creditors, other creditors and loans.

16. PROVISIONS FOR LIABILITIES

	2019 £	2018 £
Deferred tax	<u>39,837</u>	<u>35,651</u>
		Deferred tax
		£
Balance at 1 March 2018		35,651
Provided during year		<u>4,186</u>
Balance at 28 February 2019		<u>39,837</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
1,000	Ordinary Class "A"	£1	1,000	1,000
1	Ordinary Class "B"	£1	1	1
1	Ordinary Class "D"	£1	1	1
			<u>1,002</u>	<u>1,002</u>

18. RESERVES

	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 March 2018	682,472	-	1	682,473
Profit for the year	130,958			130,958
Dividends	(55,000)			(55,000)
No description	-	338,223	-	338,223
At 28 February 2019	<u>758,430</u>	<u>338,223</u>	<u>1</u>	<u>1,096,654</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 28 FEBRUARY 2019

19. **RELATED PARTY DISCLOSURES**

During the year, total dividends of £55,000 (2018 - £55,000) were paid to the directors .

During the year the company charged management fees of £85,000 (2018: £60,000) and staff costs £475,609 (2018: £168,450) to Regency Healthcare (NW) Limited, a company in which both directors are shareholders and directors. At the year end the company was owed £Nil (2018; -£41,161) by Regency Healthcare (NW) Limited. The balance is unsecured and accrues no interest.

At the year end the company was owed £192,885 (2018; £168,509) by Twilight Healthcare Limited, a company in which both directors are shareholders and directors. The balance is secured and accrues no interest.

At the year end the company was owed £200,784 (2018; £191,272) by Regency Healthcare LLP, an LLP in which both directors are partners. The balance is unsecured and accrues no interest.

20. **ULTIMATE CONTROLLING PARTY**

The directors are jointly the ultimate controlling party.

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.