REGISTERED NUMBER: 04974703 (England and Wales)

Jasmine
HEALTHCARE

Report of the Directors and

Consolidated Financial Statements

for the Year Ended 31 March 2016

for

Jasmine Healthcare Limited

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Jasmine Healthcare Limited

Company Information
for the Year Ended 31 March 2016

DIRECTOR:	Mr C D Clark
SECRETARY:	Mr C D Clark
REGISTERED OFFICE:	Suite One, First Floor Pattinson House Oak Park, East Road Sleaford Lincolnshire NG34 7EQ
REGISTERED NUMBER:	04974703 (England and Wales)
SENIOR STATUTORY AUDITOR:	Jon O'Hern FCA
AUDITORS:	Wright Vigar Limited Statutory Auditors Chartered Accountants & Business Advisers 15 Newland Lincoln Lincolnshire LN1 1XG

Group Strategic Report
for the Year Ended 31 March 2016

The director presents his strategic report of the company and the group for the year ended 31 March 2016.

BUSINESS PERFORMANCE

The group had another excellent year with positive progress made in all areas, including our financial performance, levels of training, refurbishment programme and most important of all our care standards and quality assurance ratings.

Turnover

The turnover of the group increased by £1.4million (38%) from £3.6million to £5.0million in the current year. This significant growth in turnover was due to:

• An increase in occupancy at the four care homes which have been operated by the group for many years (£0.2million and 5% of the growth in turnover). A significant share of this increase in occupancy was seen at Oxendon House as a result of the new management team recruited for this home in late 2014 and the major refurbishment which was completed at around the same time. Consequently Oxendon House has been revalued upwards by Colliers in the current year;

• An improvement in the average fee rate at the four care homes operated by the group for many years (£0.3million and 8% of the growth in turnover); and

• The incremental impact of a full year's contribution from the group's fifth home, South Moor Lodge, which was acquired on 13th March 2015 (£0.9million; 25% of the growth in turnover).

Gross Profit

The gross profit of the business also increased significantly by £0.6million (46%) from £1.5million to £2.1million. This was due to three factors:

• The increase in sales at the original four homes (£0.2million and 28% of the increase in gross margin);

• The improvement of 3.5% in the gross margin at the original four homes from 40.2% to 43.7% (£0.1million and 20% of the increase in gross margin) due to the higher average fee rates and strong cost control; and

• The impact of a full year's contribution from South Moor Lodge (£0.3million and 52% of the increase in gross margin).

Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)

The overhead costs of all care homes and head office were well controlled during the year and including a full year of South Moor Lodge overheads. These costs increased by £0.2million (27%) from £0.6million to £0.8million in the current year. Over £0.1million of the increase related to a full year of South Moor Lodge overheads and the balance of the increase was due to an increase in central overheads required for the planned further expansion of the group. Notwithstanding this, overheads as a percentage of turnover decreased by 1.4% from 18.1% to 16.7% in the current year demonstrating the economies of scale of the care home business.

As a result of the significant increase in sales, improvement in gross margin and control of overheads, the group's corporate EBITDA increased by £0.5million (61%) from £0.8million to £1.3million in the current year. The group's corporate EBITDA margin also increased by 3.7% from 22.2% to 25.9% in the current year.

Operating Profit

The depreciation charge increased a little in the current year reflecting a full year's depreciation charge for South Moor Lodge and a modest increase in Orchard Court's depreciation due to the completion of three additional close care bungalows at this home at the beginning of the financial year.

The operating profit of the group consequently increased by £0.5million (87%) from £0.5million to £1.0million in the current year.

Profit after Tax (PAT)

There was no goodwill amortisation in the current year compared to a large one-off charge of £0.45million last year in relation to the acquisition of South Moor Lodge.

The current year's interest charge of £0.12million reflected the normal interest payable on the group's £4.4million of net debt. However, the prior year interest charge was flattered by the group receiving compensation of £0.24million for historic mis-sold financial swaps. Adjusting for this compensation received, the interest charge in the prior year was £0.09million. The true increase in interest costs of £0.03million in the current year can all be attributed to the additional loans taken on in March 2015 for the acquisition of South Moor Lodge.

The current year's tax charge at £0.3million was significantly higher than last year's charge of £0.2million due to a provision for deferred tax (£0.1million) being made for the first time in the current year. This deferred tax provision was in relation to the cumulative difference between HRMC's tax written down values of the group's fixtures and fittings and the group's net book value of these assets. However, excluding this deferred tax provision, the current year's effective tax rate of 22.1% of PBT was as expected.

All the factors above contributed to the impressive outcome of the group's profit after tax increasing by £0.5million (758%) from £0.1million to £0.6million in the current year. The management team are rightly proud of this financial performance, which will allow further improvements to be made to all our homes in the coming years.

Maintenance & Refurbishment

The group maintained its significant investment in the maintenance and refurbishment of its homes with expenditure of £0.29million charged to the profit and loss account during the current year. This expenditure represented 5.8% of turnover, which is approximately double industry norms. As a result of this expenditure the quality of our homes continues to improve and this is borne out by the scores on all our home's quarterly maintenance audits and half yearly condition audits consistently improving.

The group also incurred £0.26million of capital expenditure, which was capitalised during the year. This included the £0.19million cost of building three additional independent living bungalows at Orchard Court and installing the latest fire alarm, emergency lighting and nurse calls systems in the existing ten bungalows. Consequently, all thirteen independent living bungalows at Orchard Court are now available to be used as additional spacious living spaces for the care home, as well as rented on shorthold tenancy agreements as they have been historically.

Quality of Care & Care Quality Commission (CQC) Inspections

The group continues to aspire to be the care home of choice in each location that it operates. We continually monitor, audit and assess our care homes and make improvements to our systems and care.

The average scores received on our Quality Assurance Surveys conducted with residents, relatives and outside agencies consistently improved during the year.

We strive towards our care homes being rated good or outstanding by CQC in relation to their five key criteria of being safe, caring, responsive, effective and well-led. Four of our homes were inspected by CQC during the financial year. Two of these care homes were rated as Good, one was rated as Requires Improvement and one we are still awaiting the rating. The CQC standards and inspection regime changed again in late 2014 and subsequently we have noticed a huge change in what they focus on now during their inspections. CQC identified a few things at the home that they deemed requires improvement that weren't covered by our internal audits and inspections. We have now modified our existing audits and implemented an additional one to ensure that these things are not missed at any of our homes in future. All issues identified by CQC at this home were remedied immediately and we are confident that when re-inspected again by CQC it will be rated as Good.

Energy Efficiency

The group started a major drive to improve its energy efficiency during the year, starting with thorough assessments of what could be done to improve this at all its care homes. Consequently, the following have been implemented:

• Roof insulation has been installed wherever needed to bring it up to the latest building regulations standards;

• Almost all older and non-double glazed windows across the group have been replaced;

• Many gas boilers across the group have been replaced with the latest energy efficient models;

• Use of the latest aesthetically pleasing LED light bulbs exclusively throughout the group; and

• The roll-out of the installation movement sensors to control the lighting in all corridors, back of house areas and ensuite bathrooms has commenced.

This drive towards energy efficiency will continue in the current year with further replacement gas boilers planned, the completion of the roll-out of movement sensors to control appropriate lighting, the installation of smart meters at all homes and the installation of a major solar panel array in the new roof at Oxendon House (see below). We will also shortly be appointing new Energy Champions at all homes to safely encourage energy efficiency in a fun way in the coming year.

Training

The group's continuing investment in training our staff is reaping benefits in the quality of our staff and the care that we provide. We are delighted that across the group's whole staff team we had an average training percentage of 80.1% at 31st March 2016, up from 58.7% at 31st March 2015. This was particularly pleasing as this was the first month that we have ever been over our target of 80.0%. We will aim to remain above our target every month from now on.

Staff Retention

Staff retention has also been a major area of focus in the current year and staff turnover is a key performance indicator that the Senior Management team has started to track by home. We will therefore be able to report on staff retention supported with detailed figures in future years. During the current year we have done many things to improve staff retention, including:

• Improving our staff's contractual and pre-induction information and documentation;

• Improving our training (see above);

• Improving our selection of prospective candidates, including implementing clear pre-interview selection criteria for each job role and improved interview assessment techniques;

• Improving our supervision and appraisal processes, including encouraging the promotion and progression of all our staff;

• Implementing a bonus scheme for our Deputy Managers related to entirely to care standards (to complement the existing bonuses for Home Managers) and additional rewards and thank yous for all our other staff in addition to their basic pay; and

• Fully embracing and exceeding the requirements of the Government's new National Living Wage initiative (see below).

Senior management are already seeing these measures improve staff retention and are confident that this improvement will continue in the current year.

National Living Wage

Not only is the group is totally committed to the new National Living wage, which came into force on 1st April 2016, we have done a full review of the wages of all our staff to ensure that:

• All staff performing all job roles at a satisfactorily or above level (98% of staff) is paid in excess of the National Living Wage; and

• The differences in pay rates between different job roles have been maintained, which has resulted in 65% of the group's staff receiving an additional pay rise on 1st April 2016 rather than just those previously earning less than the new National Living wage.

We hope that the Government will continue to increase the National Living Wage, as it currently plans to, to help ensure that everyone who works in the elderly care industry eventually earns what they deserve to for jobs which, whilst deeply rewarding, are not without significant challenges.

Cashflow & Net Debt

At £1.4million the group's operating cash flow was in line with its group operating profit and this was utilised as follows:

• £0.1million on bank interest on the group's bank loans;

• £0.3million on capital expenditure, including building the three new independent living bungalows at Orchard Court;

• £0.2million on corporation tax; the company is committed to remaining a UK tax resident company and consistently pays an effective corporation tax rate in excess of 20.0%; and

• £0.7million on repaying bank loans, resulting in net debt reducing from £5.1million to £4.4million.

FUTURE PERFORMANCE AND STRATEGY

As a result of the groups continuing investment in the refurbishment and improvement of its care homes and the training and development of its staff, we are optimistic that we will see a further improvement in the occupancy and average fee rate in the current year. We hope that these increases will help fund the significant increase in wages resulting from our recent comprehensive pay review.

In addition, we expect the occupancy and average fee rate of the group to increase due to:

• The group gradually transitioning the use of the 13 independent living bungalows at Orchard Court from being let on short hold tenancies to use for private paying residents requiring full care packages. This is now possible due to the installation in these bungalows of a new state of the art fire system, emergency lights and a nurse call system. We consequently initially obtained registration with the CQC for elderly care and diverse service (YPD) caring for the younger physically disabled in four of these bungalows during the current financial year; and

• Our plans to build 16 new bedrooms at Oxendon House and significantly reconfigure and refurbish the remainder of the care home that wasn't in 2014. This will result in the care home becoming a 43 bedroom (currently 32 bedroom) care home with all bedrooms having ensuites and most rooms having wet rooms. In addition, the average size of the bedrooms will increase from 12.9sqm to 14.5sqm due to the new rooms all being over 15.0sqm and many of the older rooms being knocked into each other to make new larger bedrooms with wet rooms. This extension will also have solar panels discretely integrated into the majority of its two pitched roofs, which will provide a significant proportion of the electricity requirements of the home.

The group will also consider acquiring further elderly care homes in the coming year, but only if we are confident that we can significantly improve them and they fit the group's exacting criteria, which include inter alia being:

• Homely without feeling institutional or clinical in any way;

• Tastefully converted from characterful buildings (or with the potential to be);

• Set in a substantial grounds for our residents to enjoy;

• Limited to no more than 50 bedrooms, as we believe it is not possible for care homes to be "homes" and for managers to know all residents well, once care homes become larger than this; and

• Based within our current East Midlands geographic territory, as we like to maintain close contact with and support all our care homes at all times.

In summary, the senior management team are confident that the group will continue to make significant further progress on all fronts in the coming year.....

ON BEHALF OF THE BOARD:

Mr C D Clark - Director

27 May 2016

Report of the Director
for the Year Ended 31 March 2016

The director presents his report with the financial statements of the company and the group for the year ended 31 March 2016.

PRINCIPAL ACTIVITY
The principal activity of the group in the year under review was that of the provision of care for the elderly.

DIVIDENDS
No dividends will be distributed for the year ended 31 March 2016.

DIRECTORS
Mr C D Clark has held office during the whole of the period from 1 April 2015 to the date of this report.

Other changes in directors holding office are as follows:

Mr A M Nicholson - resigned 14 April 2015
Mrs J L Nicholson - resigned 14 April 2015

STATEMENT OF DIRECTOR'S RESPONSIBILITIES
The director is responsible for preparing the Report of the Director 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 law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Mr C D Clark - Director

27 May 2016

Report of the Independent Auditors to the Members of Jasmine Healthcare Limited

We have audited the financial statements of Jasmine Healthcare Limited for the year ended 31 March 2016 on pages eight to twenty seven. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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.

Respective responsibilities of director and auditors
As explained more fully in the Statement of Director's Responsibilities set out on page six, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Director to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2016 and of the group's 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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

WrightVigar

Jon O'Hern FCA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

27 May 2016

Jasmine Healthcare Limited (Registered number: 04974703)

Consolidated Income Statement
for the Year Ended 31 March 2016

	Note	2016 £	2015 £
TURNOVER		4,978,209	3,620,441
Cost of sales		2,854,317	2,161,803
GROSS PROFIT		2,123,892	1,458,638
Administrative expenses		833,942	656,584
EBITDA*		**1,289,950**	**802,054**
Depreciation		298,942	271,369
OPERATING PROFIT	4	**991,008**	**530,685**
Amortisation of goodwill	5	-	(450,523)
		991,008	**80,162**
Interest payable and similar charges	6	115,580	(156,304)
PROFIT BEFORE TAXATION		**875,428**	**236,466**
Tax on profit	7	276,155	157,444
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		**599,273**	**79,022**
Profit attributable to: Owners of the parent		599,273	79,022

***EBITDA** is earnings before interested, tax, depreciation and amortisation

Consolidated Other Comprehensive Income
for the Year Ended 31 March 2016

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		599,273	79,022
OTHER COMPREHENSIVE INCOME			
Fixed asset revaluation		860,538	4,368,575
Deferred tax on revaluation		(140,600)	(639,574)
Share repurchase		(62,000)	(297,984)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		657,938	3,431,017
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,257,211	3,510,039
Total comprehensive income attributable to:			
Owners of the parent		1,257,211	3,510,039

The notes form part of these financial statements

Jasmine Healthcare Limited (Registered number: 04974703)

Consolidated Statement of Financial Position
31 March 2016

	Notes	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		11,003,422		10,182,696
Investments	11		-		-
			11,003,422		10,182,696
CURRENT ASSETS					
Debtors: amounts falling due within one year	12	105,767		171,774	
Cash at bank and in hand		114,513		42,735	
		220,280		214,509	
CREDITORS					
Amounts falling due within one year	13	1,109,918		1,120,820	
NET CURRENT LIABILITIES			(889,638)		(906,311)
TOTAL ASSETS LESS CURRENT LIABILITIES			10,113,784		9,276,385
CREDITORS					
Amounts falling due after more than one year	14		(4,047,870)		(4,690,207)
PROVISIONS FOR LIABILITIES	17		(862,600)		(639,574)
NET ASSETS			5,203,314		3,946,604
CAPITAL AND RESERVES					
Called up share capital	18		18,034		18,535
Share premium	19		565,592		565,592
Revaluation reserve	19		3,163,018		3,231,341
Capital redemption reserve	19		9,744		9,244
Retained earnings	19		1,446,926		121,892
SHAREHOLDERS' FUNDS			5,203,314		3,946,604

The financial statements were approved by the director on 27 May 2016 and were signed by:

C D Clark

Mr C D Clark - Director

The notes form part of these financial statements

Jasmine Healthcare Limited (Registered number: 04974703)

Company Statement of Financial Position
31 March 2016

	Notes	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		6,721,728		6,772,964
Investments	11		682,105		682,105
			7,403,833		7,455,069
CURRENT ASSETS					
Debtors: amounts falling due within one year	12	54,989		74,785	
Debtors: amounts falling due after more than one year	12	1,664,529		1,804,773	
Cash at bank and in hand		112,987		4,078	
		1,832,505		1,883,636	
CREDITORS					
Amounts falling due within one year	13	920,506		905,389	
NET CURRENT ASSETS			911,999		978,247
TOTAL ASSETS LESS CURRENT LIABILITIES			8,315,832		8,433,316
CREDITORS					
Amounts falling due after more than one year	14		(4,047,870)		(4,690,182)
PROVISIONS FOR LIABILITIES	17		(449,924)		(400,512)
NET ASSETS			3,818,038		3,342,622
CAPITAL AND RESERVES					
Called up share capital	18		18,034		18,535
Share premium	19		565,592		565,592
Revaluation reserve	19		1,815,715		1,854,417
Capital redemption reserve	19		9,743		9,243
Retained earnings	19		1,408,954		894,835
SHAREHOLDERS' FUNDS			3,818,038		3,342,622
Company's profit for the financial year			537,917		110,831

The financial statements were approved by the director on 27 May 2016 and were signed by:

Mr C D Clark - Director

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2016

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2014	20,950	(154,390)	565,592
Changes in equity			
Issue of share capital	(2,415)	-	-
Total comprehensive income	-	276,282	-
Balance at 31 March 2015	18,535	121,892	565,592
Changes in equity			
Issue of share capital	(501)	-	-
Total comprehensive income	-	1,325,034	-
Balance at 31 March 2016	18,034	1,446,926	565,592

	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 2014	-	6,828	438,980
Changes in equity			
Issue of share capital	-	-	(2,415)
Total comprehensive income	3,231,341	2,416	3,510,039
Balance at 31 March 2015	3,231,341	9,244	3,946,604
Changes in equity			
Issue of share capital	-	-	(501)
Total comprehensive income	(68,323)	500	1,257,211
Balance at 31 March 2016	3,163,018	9,744	5,203,314

The notes form part of these financial statements

Company Statement of Changes in Equity for the Year Ended 31 March 2016

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2014	20,950	616,365	565,592
Changes in equity			
Issue of share capital	(2,415)	-	-
Total comprehensive income	-	278,470	-
Balance at 31 March 2015	18,535	894,835	565,592
Changes in equity			
Issue of share capital	(501)	-	-
Total comprehensive income	-	514,119	-
Balance at 31 March 2016	18,034	1,408,954	565,592

	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 2014	-	6,827	1,209,734
Changes in equity			
Issue of share capital	-	-	(2,415)
Total comprehensive income	1,854,417	2,416	2,135,303
Balance at 31 March 2015	1,854,417	9,243	3,342,622
Changes in equity			
Issue of share capital	-	-	(501)
Total comprehensive income	(38,702)	500	475,917
Balance at 31 March 2016	1,815,715	9,743	3,818,038

The notes form part of these financial statements

Consolidated Statement of Cash Flows
for the Year Ended 31 March 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	1,365,568	983,952
Interest paid		(115,580)	(86,880)
Swap charge compensation received		-	243,184
Tax paid		(197,993)	(60,831)
Net cash from operating activities		1,051,995	1,079,425
Cash flows from investing activities			
Purchase of intangible fixed assets		-	(450,523)
Purchase of tangible fixed assets		(335,563)	(1,452,472)
Sale of tangible fixed assets		76,432	-
Net cash from investing activities		(259,131)	(1,902,995)
Cash flows from financing activities			
New loans in year		200,000	2,030,000
Loan repayments in year		(826,304)	(357,767)
Repayment of shareholder loan notes		-	(255,748)
Amount loaned by directors		-	225,000
Amount repaid to directors		-	(525,000)
Share buyback		(62,500)	(300,400)
Net cash from financing activities		(688,804)	816,085
Increase/(decrease) in cash and cash equivalents		104,060	(7,485)
Cash and cash equivalents at beginning of year	2	10,453	17,938
Cash and cash equivalents at end of year	2	114,513	10,453

The notes form part of these financial statements

Notes to the Consolidated Statement of Cash Flows for the Year Ended 31 March 2016

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before taxation	875,428	236,466
Depreciation charges	298,942	271,370
Amortisation of goodwill	-	450,523
Finance costs	115,580	(156,304)
	1,289,950	802,055
Decrease in trade and other debtors	66,007	28,523
Increase in trade and other creditors	9,611	153,374
Cash generated from operations	1,365,568	983,952

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2016

	31.3.16	1.4.15
	£	£
Cash and cash equivalents	114,513	42,735
Bank overdrafts	-	(32,282)
	114,513	10,453

Year ended 31 March 2015

	31.3.15	1.4.14
	£	£
Cash and cash equivalents	42,735	17,938
Bank overdrafts	(32,282)	-
	10,453	17,938

1. **STATUTORY INFORMATION**

Jasmine 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 General Information page.

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Basis of consolidation
The financial statements consolidate the statements of Jasmine Healthcare Limited and all of its subsidiary undertakings (subsidiaries).

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

Goodwill
Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities.

Goodwill is fully amortised in the year of acquisition.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- Straight line over 50 years
Fixtures and fittings	- Straight line over 4 years and Straight line over 7 years

Included within land and buildings is freehold land at cost of £3,596,958, which has not been depreciated.

3. **EMPLOYEES AND DIRECTORS**

	2016	2015
	£	£
Wages and salaries	2,798,065	2,069,203

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

	2016	2015
Jasmine Healthcare Limited	116	109
Orchard Court Residential Home Limited	23	22
Oxendon House Care Home Limited	24	22
South Moor Lodge Limited	14	46
	177	199

The average number of employees by undertakings that are proportionately consolidated during the year was 14.

	2016	2015
	£	£
Directors' remuneration	-	-

continued...

4. OPERATING PROFIT

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation - owned assets	298,943	271,369
Goodwill amortisation	-	450,523
Auditors' remuneration	8,500	7,000

5. EXCEPTIONAL ITEMS

	2016	2015
	£	£
Amortisation of goodwill	-	(450,523)

During the prior year, goodwill arising on the acquisition of South Moor Lodge Limited was fully amortised, in line with the group accounting policy. The amortisation charge is shown separately to operating profit in order to ensure that the profit and loss account gives a true and fair view of trading performance.

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2016	2015
	£	£
Bank interest	3,751	4,133
Mortgage interest	106,131	72,237
Swap charge compensation	-	(243,184)
Shareholder interest	5,698	10,510
	115,580	294,219

7. TAXATION

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

	2016	2015
	£	£
Current tax:		
UK corporation tax	194,885	157,444
Adjustment re previous year	(1,156)	-
Total current tax	193,729	157,444
Deferred tax	82,426	-
Tax on profit	276,155	157,444

UK corporation tax has been charged at 20%.

continued...

7. **TAXATION - continued**

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:

	2016	2015
	£	£
Profit before tax	875,428	236,466
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	175,086	47,293
Effects of:		
Expenses not deductible for tax purposes	-	90,105
Capital allowances in excess of depreciation	-	(8,898)
Depreciation in excess of capital allowances	19,799	-
Adjustments to tax charge in respect of previous periods	(1,156)	-
Temporary timing differences	82,426	28,944
Total tax charge	276,155	157,444

Tax effects relating to effects of other comprehensive income

		2016	
	Gross	Tax	Net
	£	£	£
Fixed asset revaluation	860,538	-	860,538
Deferred tax on revaluation	(140,600)	-	(140,600)
Share repurchase	(62,000)	-	(62,000)
	657,938	-	657,938

		2015	
	Gross	Tax	Net
	£	£	£
Fixed asset revaluation	4,368,575	-	4,368,575
Deferred tax on revaluation	(639,574)	-	(639,574)
Share repurchase	(297,984)	-	(297,984)
	3,431,017	-	3,431,017

8. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

continued...

9. **INTANGIBLE FIXED ASSETS**

Group

	Goodwill £
COST	
At 1 April 2015	450,523
Disposals	(20,000)
At 31 March 2016	430,523
AMORTISATION	
At 1 April 2015	450,523
Eliminated on disposal	(20,000)
At 31 March 2016	430,523
NET BOOK VALUE	
At 31 March 2016	-
At 31 March 2015	-

10. **TANGIBLE FIXED ASSETS**

Group

	Land and buildings £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 April 2015	9,687,403	1,017,982	10,705,385
Additions	89,006	246,557	335,563
Disposals	-	(204,068)	(204,068)
Revaluations	821,760	-	821,760
At 31 March 2016	10,598,169	1,060,471	11,658,640
DEPRECIATION			
At 1 April 2015	106,207	416,482	522,689
Charge for year	124,716	174,227	298,943
Eliminated on disposal	-	(127,636)	(127,636)
Revaluation adjustments	(38,778)	-	(38,778)
At 31 March 2016	192,145	463,073	655,218
NET BOOK VALUE			
At 31 March 2016	10,406,024	597,398	11,003,422
At 31 March 2015	9,581,196	601,500	10,182,696

continued...

10. **TANGIBLE FIXED ASSETS - continued**

Group

The company applied the transitional arrangements of Section 35 of FRS 102 and used a previous valuation as the deemed cost for certain freehold properties. The properties are being depreciated from the valuation date. As the assets are depreciated or sold an appropriate transfer is made from the revaluation reserve to retained earnings.

Analysis of the land and buildings valued at the date of transition to FRS 102 using the deemed cost exemption:

	2016	2015
Historical cost equivalent	4,177,094	4,177,094
Revaluation	3,768,112	3,768,112
Net book value	7,945,206	7,945,206

Land and buildings were valued on a market value basis on 24 November 2014 by Colliers International Healthcare UK LLP.

Following the transition to FRS 102, the group companies adopted the revaluation model for land and buildings.

Cost or valuation of Land and buildings at 31 March 2016 is represented by:

	£
Valuation in Year ended 31 March 2015, after FRS 102 transition date	572,468
Valuation in 2016	821,760
Cost	9,203,941
	10,598,169

Land and buildings were valued on a market value basis on 31 March 2016 by Colliers International Healthcare UK LLP.

Company

	Land and buildings £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 April 2015	6,502,509	514,988	7,017,497
Additions	-	119,151	119,151
Disposals	-	(9,631)	(9,631)
At 31 March 2016	6,502,509	624,508	7,127,017
DEPRECIATION			
At 1 April 2015	58,300	186,233	244,533
Charge for year	75,624	94,763	170,387
Eliminated on disposal	-	(9,631)	(9,631)
At 31 March 2016	133,924	271,365	405,289
NET BOOK VALUE			
At 31 March 2016	6,368,585	353,143	6,721,728
At 31 March 2015	6,444,209	328,755	6,772,964

continued...

10. **TANGIBLE FIXED ASSETS - continued**

Company

The company applied the transitional arrangements of Section 35 of FRS 102 and used a previous valuation as the deemed cost for certain freehold properties. The properties are being depreciated from the valuation date. As the assets are depreciated or sold an appropriate transfer is made from the revaluation reserve to retained earnings.

Analysis of the land and buildings valued at the date of transition to FRS 102 using the deemed cost exemption:

	2016	2015
Historical cost equivalent	2,633,668	2,633,668
Revaluation	2,126,645	2,126,645
Net book value	4,760,313	4,760,313

Land and buildings were valued on a market value basis on 24 November 2014 by Colliers International Healthcare UK LLP.

Following the transition to FRS 102, the company adopted the revaluation model for land and buildings.

Cost or valuation of Land and buildings at 31 March 2016 is represented by:

	£
Valuation in year ended 31 March 2015, after FRS 102 transition date.	572,468
Deemed cost	5,930,041
	6,502,509

11. **FIXED ASSET INVESTMENTS**

Company

	Shares in group undertakings £
COST	
At 1 April 2015 and 31 March 2016	682,105
NET BOOK VALUE	
At 31 March 2016	682,105
At 31 March 2015	682,105

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Orchard Court Residential Home Limited
Registered office:
Nature of business: Provision of care for the elderly

Class of shares:	% holding
Ordinary	100.00

	31.3.16 £	31.3.15 £
Aggregate capital and reserves	668,585	669,143
Profit for the year	78,766	126,472

continued...

11. FIXED ASSET INVESTMENTS - continued

Oxendon House Care Home Limited
Registered office:
Nature of business: Provision of care for the elderly

Class of shares:	% holding
Ordinary	100.00

	31.3.16	31.3.15
	£	£
Aggregate capital and reserves	1,399,858	616,768
Profit for the year	186,418	15,897

12. DEBTORS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	90,314	154,097	46,305	68,362
Other debtors	15,453	17,677	8,684	6,423
	105,767	171,774	54,989	74,785
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	1,664,529	1,804,773
Aggregate amounts	105,767	171,774	1,719,518	1,879,558

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts (see note 15)	471,789	488,038	471,789	500,652
Trade creditors	84,720	83,094	59,337	48,871
Corporation tax	193,551	197,815	122,552	107,121
Social security and other taxes	75,197	57,826	55,502	42,786
Other creditors	201,678	143,151	144,678	103,101
Accruals and deferred income	82,983	150,896	66,648	102,858
	1,109,918	1,120,820	920,506	905,389

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

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans (see note 15)	4,047,870	4,690,207	4,047,870	4,690,182

continued...

15. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	-	32,282	-	44,896
Bank loans	471,789	455,756	471,789	455,756
	471,789	488,038	471,789	500,652
Amounts falling due between two and five years:				
Bank loans - 2-5 years	1,944,555	2,314,904	1,944,555	2,314,904
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	2,103,315	2,375,303	2,103,315	2,375,278

16. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank overdraft	-	32,282	-	44,896
Bank loans	4,519,659	5,145,963	4,519,659	5,145,938
	4,519,659	5,178,245	4,519,659	5,190,834

NatWest bank has a first charge over all properties in the group and cross guarantees between all subsidiary companies and the parent company.

17. PROVISIONS FOR LIABILITIES

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Deferred tax	862,600	639,574	449,924	400,512

Group

	Deferred tax
	£
Balance at 1 April 2015	639,574
Provided during year	223,026
Balance at 31 March 2016	862,600

Company

	Deferred tax
	£
Balance at 1 April 2015	400,512
Provided during year	49,412
Balance at 31 March 2016	449,924

continued...

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
180,339	Ordinary	10p	18,034	18,535

19. RESERVES

Group

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 April 2015	121,892	565,592	3,231,341	9,244	3,928,069
Profit for the year	599,273				599,273
Purchase of own shares	(62,500)	-	-	500	(62,000)
Property revaluation	719,938	-	-	-	719,938
Revaluation movement	68,323	-	(68,323)	-	-
At 31 March 2016	1,446,926	565,592	3,163,018	9,744	5,185,280

Company

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 April 2015	894,835	565,592	1,854,417	9,243	3,324,087
Profit for the year	537,917				537,917
Purchase of own shares	(62,500)	-	-	500	(62,000)
Revaluation movement	38,702	-	(38,702)	-	-
At 31 March 2016	1,408,954	565,592	1,815,715	9,743	3,800,004

20. RELATED PARTY DISCLOSURES

During the period under review the company has taken advantage of the exemption conferred by paragraph 33.1A of Financial Reporting Standard 102, to subsidiary undertakings, not to disclose transactions with fellow group companies, 100% of whose voting rights are controlled within the group.

During the year Mr C Clark, a director of Jasmine Healthcare Limited, made temporary interest free repayable on demand loans to the company totalling £Nil (2015: £225,000) and was repaid amounts totalling £Nil (2015: £525,000) . At the year end a balance of £Nil (2015: £Nil)) was owing to Mr C Clark.

During the year Mr C Clark charged the company interest of £5,968 (2015: £Nil) in relation to amounts loaned in previous years. At the year end £5,968 (2015: £Nil) was owed to Mr C Clark. This balance is included within creditors due within one year.

21. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Director Mr C Clark as a result of him holding 100% of the issued share capital.

Reconciliation of Equity
1 April 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets	A	4,633,018	3,771,692	8,404,710
CURRENT ASSETS				
Debtors		200,297	-	200,297
Cash at bank and in hand		17,938	-	17,938
		218,235	-	218,235
CREDITORS				
Amounts falling due within one year		(685,474)	-	(685,474)
NET CURRENT LIABILITIES		(467,239)	-	(467,239)
TOTAL ASSETS LESS CURRENT LIABILITIES		4,165,779	3,771,692	7,937,471
CREDITORS				
Amounts falling due after more than one year		(3,726,799)	-	(3,726,799)
PROVISIONS FOR LIABILITIES	B	-	(496,073)	(496,073)
NET ASSETS		438,980	3,275,619	3,714,599
CAPITAL AND RESERVES				
Called up share capital		20,950	-	20,950
Share premium		565,592	-	565,592
Revaluation reserve	A	-	3,275,619	3,275,619
Capital redemption reserve		6,828	-	6,828
Retained earnings		(154,390)	-	(154,390)
SHAREHOLDERS' FUNDS		438,980	3,275,619	3,714,599
		438,980	3,275,619	3,714,599

continued...

Reconciliation of Equity - continued
31 March 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets	A	10,288,903	(106,207)	10,182,696
CURRENT ASSETS				
Debtors		171,774	-	171,774
Cash at bank and in hand		42,735	-	42,735
		214,509	-	214,509
CREDITORS				
Amounts falling due within one year		(1,120,820)	-	(1,120,820)
NET CURRENT LIABILITIES		(906,311)	-	(906,311)
TOTAL ASSETS LESS CURRENT LIABILITIES		9,382,592	(106,207)	9,276,385
CREDITORS				
Amounts falling due after more than one year		(4,690,207)	-	(4,690,207)
PROVISIONS FOR LIABILITIES	B	-	(639,574)	(639,574)
NET ASSETS		4,692,385	(745,781)	3,946,604
CAPITAL AND RESERVES				
Called up share capital		18,535	-	18,535
Share premium		565,592	-	565,592
Revaluation reserve	A	4,368,575	(1,137,234)	3,231,341
Capital redemption reserve		9,244	-	9,244
Retained earnings		(269,561)	391,453	121,892
SHAREHOLDERS' FUNDS		4,692,385	(745,781)	3,946,604
		4,692,385	(745,781)	3,946,604

Notes to the reconciliation of equity
Note A - Revaluation of tangible assets
Under previous UK GAAP the company had a policy of revaluing land and buildings. On transition to FRS 102 the company has elected to use the previous revaluation of certain land and buildings at 24 November 2014 as the deemed cost for the assets. The effect on the balance sheet on transition has been shown above. In the year ended 31 March 2015 the revaluation for the year ended 31 March 2015 is no longer recognised in Other comprehensive income.

The excess depreciation on the revalued amounts has been offset against the previous revaluation reserve and transferred to the Profit and Loss reserves.

Note B - Deferred taxation
Under previous UK GAAP the company was not required to provide for taxation on revaluations, unless the company had entered into a binding sale agreement and recognised the gain or loss expected to arise. Under FRS 102 deferred taxation is provided on the temporary difference arising from the revaluation. A deferred tax charge of £496,073 arose on transition to FRS 102.

Reconciliation of Profit
for the Year Ended 31 March 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	3,620,441	-	3,620,441
Cost of sales	(2,161,803)	-	(2,161,803)
GROSS PROFIT	1,458,638	-	1,458,638
Administrative expenses	(821,746)	(106,207)	(927,953)
OPERATING PROFIT	636,892	(106,207)	530,685
Amortisation of goodwill	-	(450,523)	(450,523)
Fixed asset revaluation	(450,523)	450,523	-
Interest payable and similar expenses	156,304	-	156,304
PROFIT BEFORE TAXATION	342,673	(106,207)	236,466
Tax on profit	(157,444)	-	(157,444)
PROFIT FOR THE FINANCIAL YEAR	342,673	(106,207)	236,466
Profit attributable to:			
Owners of the parent	342,673	(106,207)	236,466