Jasmine
HEALTHCARE

Group Strategic Report, Report of the Director and Consolidated Financial Statements for the Year Ended 31 March 2017 for Jasmine Healthcare Limited

Contents of the Consolidated Financial Statements for the Year Ended 31 March 2017

Jasmine Healthcare Limited

Company Information
for the Year Ended 31 March 2017

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 2017

The director presents his strategic report of the company and the group for the year ended 31 March 2017.

BUSINESS PERFORMANCE

Turnover

The turnover of the group increased by £0.3million (6%) from £5.0million to £5.3million in the current year. The healthy growth in turnover was due to the significant increase of 11% in the average fee rate achieved by the group's five homes, although this was partially offset by a reduction in overall occupancy of 5%. The small fall in occupancy was due to a focus on increasing the average fee rate and a few rooms being unavailable at Oxendon House due to there being building works to add further bedrooms at this home. However, the management team is confident that the occupancy of the group will be significantly higher in the coming year.

Gross Profit

The gross profit of the business increased by £0.1million (4%) from £2.1million to £2.2million, which was broadly in line with the increase in turnover. The gross margin decrease slightly (0.7%) in the year from 42.7% to 41.9%, despite the increased average fee rate, due to the high use of agency staff, and particularly agency nurses, during the year. Consequently there has been a significant emphasis on recruitment and staff retention in the last few months and the management team are now confident that agency use will be minimal in the year ahead and that the gross margin of the business will improve again.

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

The overhead costs of all homes and head office increased by £0.2million (17%) from £0.8million to £1.0million in the current year. However, the entire increase in overheads was accounted for by an increase of £0.2million in maintenance and refurbishment costs. All other costs were well controlled and were actually reduced in real terms during the year.

As a result of the increase in the maintenance and refurbishment costs being more than the increase in the gross margin, the EBITDA of the business decreased marginally (£0.1million; 4%) from £1.3million to £1.2million in the current year. The group's EBITDA margin decreased by 2.9% from 26.6% to 23.6% in the current year. This was again due to the significant increase in maintenance and refurbishment costs.

Operating Profit

The depreciation charge was broadly flat in the current year.

Consequently, the operating profit of the group also decreased by £0.1million (10%) from £1.0million to £0.9million directly in line with the reduction in EBITDA during the year.

Profit after Tax (PAT)

The current year's interest charge of £0.09million reflected the normal interest payable on the group's £3.9million of net debt at the year end. This was lower than the £0.12million of interest in the prior year. The reduction in the interest charge was due to the fall in the base rate during the period and the continued repayment and reduction of the group's net debt throughout the period.

The current year's overall tax rate of 22.3% of PBT in the current year is as expected; whilst the prior year's overall tax rate of 31.5% was distorted by the large deferred tax provision (£0.8million) made in the year on the transition to accounting policies required by FRS102. The underlying effective tax rate in the prior year was 22.1% compared to the current year's of 20.9%. The modest reduction was due to more capital allowances being claimed this year in relation the extension at Oxendon House and the purchase of the group's first electric company car.

Consequently, despite the higher maintenance and refurbishment expenditure, and the resulting slightly lower operating profit during the year, the profit after tax actually increased by £0.03million (5.5%) from £0.60million to £0.63million.

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Cashflow & Net Debt

At £1.2million the group's operating cash flow was in line with the group's EBITDA and this was utilised as follows:

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

- £0.5million on capital expenditure, including the 16 bedroom (with wet rooms) extension at Oxendon House;

- £0.2million on corporation tax; and

- £0.5million on repaying bank loans, resulting in the group's net debt reducing from £4.5million to £4.0million.

The cash balance consequently reduced from £0.1million at the beginning of the year to a modest positive balance at the year end.

Credit Rating

We are confident that the group will maintain its 100 credit score (very low risk) from Experian on the publication of this strong set of results.

Maintenance & Refurbishment

The group significantly increased its investment in the maintenance and refurbishment of its homes with expenditure of £0.44million charged to the profit and loss account during the current year, compared to the £0.29million incurred in the prior year. This expenditure represented 8.4% (PY: 5.8%) of turnover, which is well above industry norms. As a result of this expenditure the quality of our homes continues to improve and this is supported by the scores on all our home's half yearly condition audits improving during the current year.

The group also incurred £0.5million (PY: £0.26million) of capital expenditure. This included £0.33million in relation to building a sixteen bedroom (with wet rooms) extension at Oxendon House and £0.08million spent on the group's first electric company car.

Stripping out the capital expenditure on the extension at Oxendon House and the new electric company car in the current year and on the independent living bungalows at Orchard Court in the prior year, gives a current year capital expenditure of £0.16million consistent with the £0.14million of capital expenditure in the prior year.

Energy Efficiency

The group continued its major drive to improve its energy efficiency during the year with the following being implemented:

- The installation of smart meters at all our homes to allow our Maintenance persons to constantly monitor our homes' energy use and try to reduce usage through changing the behaviour or our staff teams;

- The remaining lofts and walls requiring insulation, were insulted during the year;

- More of the older and non-double glazed windows across the group have been replaced. All windows across the group will be double glazed once the extension and refurbishment work at Oxendon House is completed in July 2017;

- More gas boilers across the group have been replaced with the latest energy efficient models;

• All the lighting in the back of house areas, corridors and ensuites, at all homes, has been put on movement sensors;

• The installation of an array of solar panels at Oxendon House large enough to provide circa two thirds of the home's electricity use. Oxendon House was the group's second home to have solar panels installed and our aim is to fit solar panels at the remaining three homes in the coming year; and

• Four electric charging points have been installed at Oxendon House ready for the electric car revolution that is already underway. These electric charging points will be available to the public shortly and for the foreseeable future they will be free to use for relatives and staff. It is Jasmine's aspiration to install electric charging points at all its homes. This will reduce the carbon foot-print, of the miles that our regional management regularly do, visiting our homes to improve our care standards. It is also hoped that by initially making them free of charge to all, we will help encourage our staff and the relatives of our residents, to embrace the electric car revolution.

The full annual impact of the measures implemented in the prior year, and the benefit from the above measures for some of the current year, resulted in the group's oil, gas and electricity costs being 7.0% less this year than last year, despite the increase in prices suffered in the current year.

This drive towards energy efficiency will continue in the coming year, with amongst other things, the replacement of the remainder of our older gas boilers and the installation of solar panels at the remaining three homes currently without them. We will also soon be appointing new Energy Champions at all homes, to safely encourage energy efficiency in a fun way.Care Quality Commission (CQC) Inspections

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 five care homes were inspected by CQC during the last year. Three of these care homes were rated as Good and one was rated as Requires Improvement. The issues at the care home rated as Requires Improvement had already been identified by Jasmine's senior management, and consequently personnel and other changes, had already been made two weeks before the CQC inspection. Unfortunately, the positive impact of these changes had not had time to improve the home sufficiently at the time of the inspection, only two weeks later. However, as plans were already in place to resolve all the issues identified by CQC at the time of their inspection, all the issues identified by CQC were largely resolved within a month of their inspection. We are very confident that when re-inspected by CQC this home will be rated as Good.

As things stand today, we have four care homes rated as Good with CQC and one rated as Requires Improvement. It is our absolute raison d'etre to ensure that all our homes are rated as Good or Outstanding by CQC going forwards, and with the management team now in place, we are confident that this will be the case!

Jasmine Compliance Scores ("JCS")

However, it is not enough for Jasmine to just be rated as Good by CQC at the time of their inspections. We wish to ensure that our homes provide the absolute highest standards of care and accommodation at all times. Consequently senior management, continually monitor, audit and assess our care homes and make improvements to our systems and care.

In the current year we developed the Jasmine Compliance Score ("JCS") and all our homes' compliance is now closely monitored against this key performance indicator. The average JCS of all our homes at 31st March 2017 was 67.4%, with significant increases in the scores of all homes achieved since the year end. However, our target is for all our homes to have a JCS of over 90.0% and we won't stop driving high standards until this is the case...

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 83.5% at 31st March 2017, up from 81.0% at 31st March 2016. Our target is now for our training to be over 90.0% by 31st March 2018, which we believe will be easily achieved, with the continued improvement in staff retention.....

Staff Retention

Staff retention continues to be a major area of focus and key performance indicator that the Senior Management closely monitor each month. We are delighted that the staff turnover reduced by 4.7% during the year to be 67.0% at 31st March 2017. However, we still deem this level of staff turnover to be totally unacceptable, albeit disguising the fact that we have a core team of long term loyal staff and a smaller group of staff that regularly come and go. To improve our staff retention we have implemented the following during the current year:

• Rolled out and explained the Jasmine Values to all existing and new staff (see below);

• Recruited a professional Recruitment, HR & Training Administrator at our head office;

• Further refined our recruitment criteria;

• Further professionalised our recruitment procedures and new starter documentation;

• Continued to improve our training (see above);

• Further improved our supervision and appraisal processes, including appraising staff against the Jasmine Values and encouraging the promotion and progression of all of our staff;

• Implementing a training incentive for new staff and marketing incentives for existing staff;

• Improved personal engagement with our new staff, to ensure that they are settling into their new roles, and have all the support they need; and

• Continued to pay over the National Living Wage to all staff performing at or above expectations (see below).

More initiatives are planned in the current year, including training all our Managers and Deputy Managers, how to really engage with their staff teams. We are therefore confident that the group's staff turnover will continue to reduce month on month and we will be nearer our staff turnover target of 40.0% by 31st March 2018.

National Living Wage

We continue to be totally committed to the new National Living wage and continue to pay all staff performing at or above expectations (98% of staff) in excess of the National Living Wage.

Whichever party gets into Government on 8th June 2017, we hope that they will deliver on their promises to increase the National Living Wage, so that everyone who works in the elderly care industry eventually earns what they deserve to....

FUTURE PERFORMANCE AND STRATEGY

Jasmine Values

First and foremost, the group will keep acting in accordance with the Jasmine Values:

1. Passionate about providing the Highest Standards of Care
2. Committed to Training
3. To want to be One Big Team
4. To Communicate Openly, Honestly & Effectively
5. To Have & Reward a Strong Work Ethic
6. To provide a Positive Working Environment
7. To provide a Homely place for our Residents to live
8. To Embrace Change
9. A belief that everyone is an Ambassador for Jasmine
10. To act with Integrity
11. To Care for the Environment

Future Performance

We are confident that by exemplifying the above values and continuing to invest in the training and development of our staff and the refurbishment of our care homes, we will see significant organic growth in the occupancy and average fee rate across the group in the coming year.

In addition, we expect the occupancy of the group to increase due to:

• The transition from using the 10 remaining independent living bungalows at Orchard Court currently let on short hold tenancies, to being used for private paying residents requiring full care packages. Three bungalows were successfully transitioned to full care packages in the current year, so we are more confident than ever that this will be possible as the remaining shorthold tenancies come to an end; and

• The completion in August 2017 of the 16 bedroom (with wet rooms) extension at Oxendon House alongside the significant reconfiguration and refurbishment of the remainder of the home. This will result in the care home becoming a 43 bedroom (currently 32 bedroom) care home, with all bedrooms being single ensuite bedrooms and most 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.

Group Strategic Report for the Year Ended 31 March 2017

In light of the above, senior management are confident that the group will make further progress in the current year, even without any further acquisitions. As previously, all positive cash flow will be utilised to improve the overall standards of care in the country, either by improving our own homes or acquiring poorly performing care homes in desperate need of improvement.

However, the group will only consider acquiring further care homes, if we are confident that they fit with the Jasmine Values and we can significantly improve them. Our criteria for new care homes therefore, includes inter alia:

• They are homely and do not feel institutional or like hospitals in any way;

• They are tastefully converted from characterful buildings or have the potential to be;

• They have a meaningful amount of grounds and gardens for our residents to enjoy;

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

• They are in need of meaningful improvement, as we will not improve the overall standards of elderly care in the UK by acquiring homes that already provide high standards of care; and

• They are based within our current east midlands geographic territory, so that we can maintain close contact and more easily support them to constantly improve......

ON BEHALF OF THE BOARD:

Mr C D Clark - Director

12 June 2017

Report of the Director
for the Year Ended 31 March 2017

The director presents his report with the financial statements of the company and the group for the year ended 31 March 2017.

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

DIVIDENDS
During the year ended 31 March 2017, dividends totalling £2,500 were paid to shareholders.

DIRECTOR
Mr C D Clark held office during the whole of the period from 1 April 2016 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES
The director is responsible for preparing the Group Strategic Report, 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

12 June 2017

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 2017 on pages nine to twenty four. 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 seven, 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 2017 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.

Wright Vigar

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

12 June 2017

Jasmine Healthcare Limited (Registered number: 04974703)

Consolidated Profit and Loss Account for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
TURNOVER		5,285,056	4,978,209
Cost of sales		3,068,380	2,854,317
GROSS PROFIT		**2,216,676**	**2,123,892**
Administrative expenses		971,799	833,942
EBITDA*		**1,244,877**	**1,289,950**
Depreciation	4	343,622	298,942
OPERATING PROFIT		**901,255**	**991,008**
Interest payable and similar charges	5	87,985	115,580
PROFIT BEFORE TAXATION		**813,270**	**875,428**
Tax on profit on ordinary activities	6	181,142	276,155
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		**632,128**	**599,273**
Profit attributable to: Owners of the parent		632,128	599,273

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

Jasmine Healthcare Limited (Registered number: 04974703)

Consolidated Other Comprehensive Income for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
PROFIT FOR THE YEAR		632,128	599,273
OTHER COMPREHENSIVE INCOME			
Fixed asset revaluation		-	860,538
Deferred tax on revaluation		-	(140,600)
Share repurchase		-	(62,000)
Income tax relating to components of other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		-	657,938
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		632,128	1,257,211
Total comprehensive income attributable to:			
Owners of the parent		632,128	1,257,211

The notes form part of these financial statements

Jasmine Healthcare Limited (Registered number: 04974703)

Consolidated Statement of Financial Position
31 March 2017

	Notes	2017 £	2017 £	2016 £	2016 £
FIXED ASSETS					
Tangible assets	9		11,162,237		11,003,422
Investments	10		-		-
			11,162,237		11,003,422
CURRENT ASSETS					
Debtors	11	134,695		105,767	
Cash at bank and in hand		28,808		114,513	
		163,503		220,280	
CREDITORS					
Amounts falling due within one year	12	1,136,319		1,109,918	
NET CURRENT LIABILITIES			(972,816)		(889,638)
TOTAL ASSETS LESS CURRENT LIABILITIES			10,189,421		10,113,784
CREDITORS					
Amounts falling due after more than one year	13		(3,482,519)		(4,047,870)
PROVISIONS FOR LIABILITIES	16		(873,960)		(862,600)
NET ASSETS			5,832,942		5,203,314
CAPITAL AND RESERVES					
Called up share capital	17		18,034		18,034
Share premium	18		565,592		565,592
Revaluation reserve	18		4,218,945		4,312,293
Capital redemption reserve	18		9,744		9,744
Retained earnings	18		1,020,627		297,651
SHAREHOLDERS' FUNDS			5,832,942		5,203,314

The financial statements were approved by the director on 12 June 2017 and were signed by:

Mr C D Clark - Director

The notes form part of these financial statements

Company Statement of Financial Position
31 March 2017

		2017		2016	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	9		6,687,241		6,721,728
Investments	10		682,105		682,105
			7,369,346		7,403,833
CURRENT ASSETS					
Debtors	11	1,951,675		1,719,518	
Cash at bank and in hand		27,364		112,987	
		1,979,039		1,832,505	
CREDITORS					
Amounts falling due within one year	12	915,480		920,506	
NET CURRENT ASSETS			1,063,559		911,999
TOTAL ASSETS LESS CURRENT LIABILITIES			8,432,905		8,315,832
CREDITORS					
Amounts falling due after more than one year	13		(3,482,519)		(4,047,870)
PROVISIONS FOR LIABILITIES	16		(459,449)		(449,924)
NET ASSETS			4,490,937		3,818,038
CAPITAL AND RESERVES					
Called up share capital	17		18,034		18,034
Share premium	18		565,592		565,592
Revaluation reserve	18		2,196,039		2,245,052
Capital redemption reserve	18		9,743		9,743
Retained earnings	18		1,701,529		979,617
SHAREHOLDERS' FUNDS			4,490,937		3,818,038
Company's profit for the financial year			675,399		537,917

The financial statements were approved by the director on 12 June 2017 and were signed by:

Mr C D Clark - Director

The notes form part of these financial statements

Jasmine Healthcare Limited (Registered number: 04974703)

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2017

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2015	18,535	(307,445)	565,592
Changes in equity			
Issue of share capital	(501)	-	-
Total comprehensive income	-	605,096	-
Balance at 31 March 2016	18,034	297,651	565,592
Changes in equity			
Dividends	-	(2,500)	-
Total comprehensive income	-	725,476	-
Balance at 31 March 2017	18,034	1,020,627	565,592

	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 2015	3,660,678	9,244	3,946,604
Changes in equity			
Issue of share capital	-	-	(501)
Total comprehensive income	651,615	500	1,257,211
Balance at 31 March 2016	4,312,293	9,744	5,203,314
Changes in equity			
Dividends	-	-	(2,500)
Total comprehensive income	(93,348)	-	632,128
Balance at 31 March 2017	4,218,945	9,744	5,832,942

The notes form part of these financial statements

Company Statement of Changes in Equity for the Year Ended 31 March 2017

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2015	18,535	465,498	565,592
Changes in equity			
Issue of share capital	(501)	-	-
Total comprehensive income	-	514,119	-
Balance at 31 March 2016	18,034	979,617	565,592
Changes in equity			
Dividends	-	(2,500)	-
Total comprehensive income	-	724,412	-
Balance at 31 March 2017	18,034	1,701,529	565,592

	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 2015	2,283,754	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	2,245,052	9,743	3,818,038
Changes in equity			
Dividends	-	-	(2,500)
Total comprehensive income	(49,013)	-	675,399
Balance at 31 March 2017	2,196,039	9,743	4,490,937

The notes form part of these financial statements

Consolidated Statement of Cash Flows for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	1,248,766	1,365,568
Interest paid		(87,985)	(115,580)
Tax paid		(193,729)	(197,993)
Net cash from operating activities		967,052	1,051,995
Cash flows from investing activities			
Purchase of tangible fixed assets		(502,437)	(335,563)
Sale of tangible fixed assets		-	76,432
Net cash from investing activities		(502,437)	(259,131)
Cash flows from financing activities			
New loans in year		-	200,000
Loan repayments in year		(547,820)	(826,304)
Share buyback		-	(62,500)
Equity dividends paid		(2,500)	-
Net cash from financing activities		(550,320)	(688,804)
(Decrease)/increase in cash and cash equivalents		(85,705)	104,060
Cash and cash equivalents at beginning of year	2	114,513	10,453
Cash and cash equivalents at end of year	2	28,808	114,513

The notes form part of these financial statements

Notes to the Consolidated Statement of Cash Flows for the Year Ended 31 March 2017

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

	2017	2016
	£	£
Profit before taxation	813,270	875,428
Depreciation charges	343,622	298,942
Finance costs	87,985	115,580
	1,244,877	1,289,950
(Increase)/decrease in trade and other debtors	(28,751)	66,007
Increase in trade and other creditors	32,640	9,611
Cash generated from operations	1,248,766	1,365,568

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 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	28,808	114,513

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

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2017

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.

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.

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

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

3. **EMPLOYEES AND DIRECTORS**

	2017	2016
	£	£
Wages and salaries	3,022,803	2,798,065

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

	2017	2016
Jasmine Healthcare Limited	135	116
Orchard Court Residential Home Limited	26	23
Oxendon House Care Home Limited	31	24
Southmoor lodge	-	14
	192	177

The average number of employees by undertakings that are proportionately consolidated during the year was 57 (2016 - 61).

	2017	2016
	£	£
Directors' remuneration	-	-

continued...

4. OPERATING PROFIT

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation - owned assets	343,622	298,943
Auditors' remuneration	8,000	8,500

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Bank interest	3,005	3,751
Mortgage interest	84,980	106,131
Shareholder interest	-	5,698
	87,985	115,580

6. TAXATION

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

	2017	2016
	£	£
Current tax:		
UK corporation tax	169,782	194,885
Adjustment re previous year	-	(1,156)
Total current tax	169,782	193,729
Deferred tax	11,360	82,426
Tax on profit	181,142	276,155

UK corporation tax was charged at 20% in 2016.

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:

	2017	2016
	£	£
Profit before tax	813,270	875,428
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	162,654	175,086
Effects of:		
Depreciation in excess of capital allowances	6,974	19,799
Adjustments to tax charge in respect of previous periods	-	(1,156)
Temporary timing differences	11,514	82,426
Total tax charge	181,142	276,155

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 31 March 2017.

continued...

6. TAXATION - continued

	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

7. 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.

8. DIVIDENDS

	2017	2016
	£	£
Ordinary shares of 10p each		
Final	2,500	-

9. TANGIBLE FIXED ASSETS

Group

	Land and buildings	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST OR VALUATION				
At 1 April 2016	10,598,169	1,060,471	-	11,658,640
Additions	193,285	232,422	76,730	502,437
Disposals	-	(227,576)	-	(227,576)
Reclassification/transfer	-	106,423	-	106,423
At 31 March 2017	10,791,454	1,171,740	76,730	12,039,924
DEPRECIATION				
At 1 April 2016	192,145	463,073	-	655,218
Charge for year	140,023	187,614	15,985	343,622
Eliminated on disposal	-	(227,576)	-	(227,576)
Reclassification/transfer	-	106,423	-	106,423
At 31 March 2017	332,168	529,534	15,985	877,687
NET BOOK VALUE				
At 31 March 2017	10,459,286	642,206	60,745	11,162,237
At 31 March 2016	10,406,024	597,398	-	11,003,422

continued...

9. **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.

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 2017 is represented by:

	£
Valuation in Year ended 31 March 2015, after FRS 102 transition date	572,468
Valuation in 2016	821,760
Deemed cost	9,397,226
	10,791,454

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 £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 April 2016	6,502,509	624,508	-	7,127,017
Additions	-	93,406	76,730	170,136
Disposals	-	(43,117)	-	(43,117)
Reclassification/transfer	-	105,821	-	105,821
At 31 March 2017	6,502,509	780,618	76,730	7,359,857
DEPRECIATION				
At 1 April 2016	133,924	271,365	-	405,289
Charge for year	75,622	113,016	15,985	204,623
Eliminated on disposal	-	(43,117)	-	(43,117)
Reclassification/transfer	-	105,821	-	105,821
At 31 March 2017	209,546	447,085	15,985	672,616
NET BOOK VALUE				
At 31 March 2017	6,292,963	333,533	60,745	6,687,241
At 31 March 2016	6,368,585	353,143	-	6,721,728

continued...

9. **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 2017 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

10. **FIXED ASSET INVESTMENTS**

Company

	Shares in group undertakings £
COST	
At 1 April 2016 and 31 March 2017	682,105
NET BOOK VALUE	
At 31 March 2017	682,105
At 31 March 2016	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

	31.3.17 £	31.3.16 £
Aggregate capital and reserves	654,047	668,585
Profit for the year	110,315	78,766

continued...

10. **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

	31.3.17	31.3.16
	£	£
Aggregate capital and reserves	1,370,061	1,399,858
Profit for the year	147,686	186,418

11. **DEBTORS**

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	118,005	90,314	89,175	46,305
Other debtors	16,690	15,453	9,854	8,684
	134,695	105,767	99,029	54,989
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	1,852,646	1,664,529
Aggregate amounts	134,695	105,767	1,951,675	1,719,518

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

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans and overdrafts (see note 14)	489,320	471,789	489,320	471,789
Trade creditors	150,534	84,720	103,887	59,337
Corporation tax	169,781	193,551	100,159	122,552
Social security and other taxes	70,398	75,197	46,950	55,502
Other creditors	195,915	201,678	135,852	144,678
Accruals and deferred income	60,371	82,983	39,312	66,648
	1,136,319	1,109,918	915,480	920,506

13. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans (see note 14)	3,482,519	4,047,870	3,482,519	4,047,870

continued...

14. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	489,320	471,789	489,320	471,789
Amounts falling due between two and five years:				
Bank loans - 2-5 years	1,531,451	1,944,555	1,531,451	1,944,555
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	1,951,068	2,103,315	1,951,068	2,103,315

15. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans	3,971,839	4,519,659	3,971,839	4,519,659

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

16. PROVISIONS FOR LIABILITIES

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Deferred tax	873,960	862,600	459,449	449,924

Group

	Deferred tax
	£
Balance at 1 April 2016	862,600
Provided during year	11,360
Balance at 31 March 2017	873,960

Company

	Deferred tax
	£
Balance at 1 April 2016	449,924
Provided during year	9,525
Balance at 31 March 2017	459,449

continued...

17. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
180,339	Ordinary	10p	18,034	18,034

18. **RESERVES**

Group

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 April 2016	297,651	565,592	4,312,293	9,744	5,185,280
Profit for the year	632,128				632,128
Dividends	(2,500)				(2,500)
Revaluation movement	93,348	-	(93,348)	-	-
At 31 March 2017	1,020,627	565,592	4,218,945	9,744	5,814,908

Company

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 April 2016	979,617	565,592	2,245,052	9,743	3,800,004
Profit for the year	675,399				675,399
Dividends	(2,500)				(2,500)
Revaluation movement	49,013	-	(49,013)	-	-
At 31 March 2017	1,701,529	565,592	2,196,039	9,743	4,472,903

19. **CAPITAL COMMITMENTS**

At 31 March 2017, the group had capital commitments for improvements to land and buildings of £342,975.

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 charged the company interest of £Nil (2016: £5,968) in relation to amounts loaned in previous years. At the year end £Nil (2016: £5,968) 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.