



**Group Strategic Report,
Report of the Director and
Consolidated Financial Statements
for the Year Ended 31 March 2018
for
Jasmine Healthcare Limited**

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for the Year Ended 31 March 2018

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Jasmine Healthcare Limited
Company Information
for the Year Ended 31 March 2018

DIRECTOR:	Mr C D Clark
SECRETARY:	Mr C D Clark
REGISTERED OFFICE:	Suite One Pattinson House Oak Park, East Road Sleaford Lincolnshire NG34 7EQ
REGISTERED NUMBER:	04974703 (England and Wales)
SENIOR STATUTORY AUDITOR:	Matthew Chadwick BA (Hons) ACA
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 2018

The director presents his strategic report of the company and the group for the year ended 31 March 2018.

BUSINESS PERFORMANCE

Turnover

The turnover of the group decreased by £0.1million (2%) from £5.3million to £5.2million in the current year. The small decrease in turnover was due to a decrease in occupancy of 5%, offset by a 3% increase in the average fee rate.

The occupancy actually continued to increase at the start of the financial year. However, perversely the recruitment of a senior Care & Operations Director into the business at the end of May 2018 meant there was less focus on marketing, occupancy and fee rate for the remainder of the year. Now that the management structure of the business has reverted to not having a Care & Operations Director role, there is a lot more focus on occupancy and fee rates again.

With the increased focus on occupancy and fee rates, along with the availability of all the new bedrooms at Oxendon House, we are confident that the coming financial year will see a significant increase in revenue.

Gross Profit

The gross profit of the business also decreased by £0.1million (3%) from £2.2million to £2.1million, which was broadly in line with the decrease in turnover. The gross margin also decreased slightly (0.5%) in the year from 41.9% to 41.4%. This was all due to slightly higher staff costs as a percentage of revenue, resulting from our staffing levels largely remaining the same, despite lower occupancy at two of our homes in particular. In fact, the impact of this was somewhat ameliorated by savings made through the successful reduction in agency staff used in the year, which was reduced by £80k (27%).

However, we are expecting a perfect mix of conditions in the current financial year with staff costs rising slower than occupancy, and a continuing decline in agency usage, due to our continued focus on recruitment and staff retention. Consequently the management team are confident the gross margin of the business will improve again in the current year.

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

The overhead costs of all homes and head office increased by £0.2million (20%) from £1.0million to £1.2million in the current year. This was due to a combination of increased maintenance and refurbishment costs (£0.1million) and an increase in central overhead (£0.1million). The former is explained in more detail below and the latter was due to the recruitment costs and extra salary of the new Care & Operations Director employed for 10 months of the year. With the removal of this role towards the end of the year, we expect central overheads to be much lower in the coming financial year.

All other overhead costs were well controlled with many reduced in real terms during the year.

As a result of the fall in gross profit (£0.1million) and increase in overheads (£0.2million), the EBITDA of the business decreased by £0.3million (21%) from circa £1.3million to £1.0million in the current year. The group's EBITDA margin decreased by 4.7% from 23.6% to 18.9% in the current year.

Operating Profit

The depreciation charge reduced somewhat during the year due to over £0.2million of assets having been fully depreciated at the end of the previous financial year.

Consequently, the operating profit of the group decreased by less than the group's EBITDA with a fall of only £0.2million (26%), from £0.9million to £0.7million.

Profit after Tax (PAT)

The current year's interest charge of £0.09million was consistent with the prior year and reflected the normal interest payable on the group's year end net debt of £4.2million.

The current year's overall tax charge was a small credit this year compared to the significant charge of £0.2million last year. There were two reasons for this significant reduction in the tax charge. The first was the reduction in corporation tax payable to £0.12million (prior year £0.17million) in line with the fall in the company's profit before tax. The effective tax rate in the current year, at 20.4%, was broadly consistent with last years of 20.9%. The second more significant reason for the swing in the tax charge was a large deferred tax credit in the current year of £0.13million compared to a deferred tax charge of £0.01million in the prior year. This was mainly due to more indexation being allowed on the future capital gains expected on the sale of the company's care homes at the valuations that they are held at in these accounts.

Group Strategic Report
for the Year Ended 31 March 2018

Consequently, the PAT in the current year fell significantly less than the operating profit, falling only 7.5% from £0.63million to £0.58million.

Management consider this a disappointing result, although console themselves that it was largely the result of the investment made in improving our homes, for the benefit of our residents and staff. However, we are more confident than ever that the occupancy, turnover and EBITDA of the business will now significantly improve again, alongside our more qualitative KPIs, in the coming years.

Cashflow & Net Debt

At £1.0million the group's operating cash flow was broadly in line with the group's EBITDA, albeit with the benefit of a modest improvement in our debt collection during the year. The group's operating cash flow was utilised as follows:

- £0.1million on bank interest on the group's bank loans;
- £0.6million on capital expenditure, including the 16 bedroom (with wet rooms) extension at Oxendon House;
- £0.2million on the payment of last year's corporation tax;
- £0.4million purchasing Beldon House Hotels Limited (investment held for resale); and
- £0.5million on repaying bank loans.

The cash short fall from this £1.8million of expenditure was funded by an overall increase in the company's loan facilities of £0.8million. This was obtained as part of a refinancing of all the company's debt into one new facility of £4.3million on 28th February 2018. The new loan is amortising over 20 years with a bullet repayment in six years. This has de-risked the company's previously short debt repayment profile (as seen in note 14 to the accounts on page 27) and more than halved the company's monthly debt service cashflow.

The net impact of the additional new bank debt in the year of £0.8million and the repayment of £0.5million of the existing debt, was an overall increase in debt of £0.3million during the year. The company's debt consequently increased from £4.0million to £4.3million during the year.

The cash balance remained consistent at £0.1million at both year ends, and consequently the net debt of the company increased from £3.9million to £4.2million during the current year. With improved profitability and minimal capex forecast in the current year we expect the net debt of the company to rapidly reduce in the coming year.

Credit Rating

We are confident that the group will maintain its 100 credit score (very low risk) from Experian on the publication of this consistent set of results showing further increases in the net assets of the company.

Maintenance & Refurbishment

The group significantly increased its investment in the maintenance and refurbishment of its homes again this year with expenditure of £0.52million charged to the profit and loss account. This compared to the £0.44million incurred in the prior year. This level of maintenance and refurbishment expenditure represented 10% (PY: 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 again during the current year.

The group also incurred £0.64million (PY: £0.50million) of capital expenditure. The current year expenditure included £0.50million (PY: £0.33million) in relation to the completion of our sixteen bedroom (with wet rooms) extension at Oxendon House.

Stripping out the capital expenditure on the extension at Oxendon House in both years and the new electric company car in the prior year, results in current year capital expenditure of £0.14million, which is consistent with the £0.16million of capital expenditure in the prior year.

Group Strategic Report
for the Year Ended 31 March 2018

Energy Efficiency

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

- The last of the older and / or non-double glazed windows across the group were all replaced during the year;
- More gas boilers across the group have been replaced with the latest energy efficient models;
- Solar panels were installed at Avenue House large enough to provide circa two thirds of the home's electricity. Avenue House was the group's third home to have solar panels installed and it is our aim to fit solar panels at the remaining two homes in the coming year; and
- Four electric charging points have been installed at Avenue House ready for the electric car revolution that is already underway. Our electric charging points at both Oxendon House and Avenue House are available to the public (see <https://open.pod-point.com>) and for the foreseeable future they will continue to be free to use for all 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 drive, whilst visiting our homes to improve our care standards. It is also hoped that by initially making our charging points 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 lower this year than last year. This is now the third year running that we have managed to reduce our energy costs, despite the relentless increase in energy prices during this period.

The group has also fitted water saving devices across its entire estate in the current year and consequently our water rates have already reduced by 15%. Again this is despite the underlying increase in water rates.

Our 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 and electric charging points at the homes still without them.

Our home's Energy Champions will also be carrying out some more energy and water efficiency awareness initiatives across the group during the coming year to safely encourage energy and water 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. At the time of writing we have only received the inspection reports from three of these inspections (St Andrew's, Oxendon House and South Moor Lodge). We are delighted that all three of these homes received a Good rating overall and also in each of the five key criteria outlined above. However, we still await the inspection report for Avenue House.

Consequently at the time of writing all our homes are rated Good overall by CQC.

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 processes and care.

In the previous year we developed the Jasmine Compliance Score ("JCS") and all our homes' compliance continues to be closely monitored against this key performance indicator. I am delighted to report that the average JCS of all our homes increased to 72.0% at 31st March 2018 from 67% at the end of last year.

However, our target remains for all our homes to have a JCS of over 90.0%, and we won't stop driving high standards until this is achieved.....

Group Strategic Report
for the Year Ended 31 March 2018

Training

The group's continuing investment in training our staff continues to reap benefits in the quality of our staff and the care that we provide.

However, I am disappointed to report that our mandatory training percentage decreased from 83% at the end of last year to only 81% at 31st March 2018. This was an artificial decrease though caused by a delay in getting certificates back from our training provider during March 2018, which is supported by the fact that our mandatory training percentage at 30th April 2018 was back up to over 84%.

Our target remains for our training to be over 90.0% at all times. We believe this will be easily achieved well before the end of this financial year, with the current momentum and continued improvement in staff retention.....

Staff Turnover

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 our staff retention improved a further 2% during the year to 65% at 31st March 2018. 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 done the following during the current year:

- Continued to instil the Jasmine Values to all existing and new staff (see below), including training and competitions;
- Recruited a more experienced and high calibre Recruitment, HR & Training Administrator at our head office;
- Further refined our recruitment criteria with even more emphasis on the Jasmine Values;
- Further professionalised our recruitment procedures and new starter documentation;
- Continued to improve our training provision, including starting to fund all our staff to do NVQs in the current year and providing more face to face training than ever;
- Further developed our personal engagement with our new staff, to ensure that they are settling into their new roles, and have all the support they need;
- Increased the amount we pay over the National Living Wage to all staff performing at or above expectations; and
- Started to pay all staff over 21 years old (rather the 25 years old as required by the NLW legislation) on the same pay scales.

More initiatives are planned in the current year, including further leadership and staff engagement training, for all our Managers and Deputy Managers. We are therefore confident that the group's staff turnover will continue to reduce month on month and that we will be much nearer our staff turnover target of 40.0% by 31st March 2019.

National Living Wage ("NLW")

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

Furthermore, we increased the amount over the NLW that we pay all our staff again in the current year and started paying everyone over the age of 21 (rather the 25 as required by the NLW legislation) on our standard pay scales in excess of the NLW.

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

Group Strategic Report
for the Year Ended 31 March 2018

10. To act with Integrity by Always Doing what we Say we Will
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:

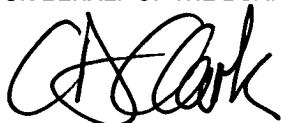
- The continuing transition from using the remaining independent living bungalows at Orchard Court, currently let on short hold tenancies, to being used for private paying residents requiring full care packages. Five of the thirteen bungalows have already been successfully transitioned to full care packages, so we are more confident than ever that this will be possible with the others, as their shorthold tenancies come to an end;
- The proactive marketing of Oxendon House now that its 16 bedroom (with wet rooms) extension, new passenger lift and refurbishment have been completed. This care home is now a 43 bedroom (previously 32 bedroom) care home, with all single ensuite bedrooms (with most having wet rooms). We currently have 14 of our new rooms to fill. However, we are already receiving a lot of enquiries and interest for them; and
- South Moor Lodge having recently received an all Good rating from CQC (previously Requires Improvement) and the top banding available from Nottingham County Council, we are now confident that we will be able to fill our 17 empty rooms at this care home. We are already having much more dialogue with all the social workers.

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 that 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 have no more than 50 bedrooms, as we believe it is not possible for care homes to be "homes" and for our managers to know all their 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

21 May 2018

Report of the Director
for the Year Ended 31 March 2018

The director presents his report with the financial statements of the company and the group for the year ended 31 March 2018.

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 2018, dividends totalling £5,000 were paid to shareholders.

DIRECTOR

Mr C D Clark held office during the whole of the period from 1 April 2017 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

21 May 2018

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

Opinion

We have audited the financial statements of Jasmine Healthcare Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Director.

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.

Responsibilities of director

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, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Wright Vigar Limited

Matthew Chadwick BA (Hons) ACA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

21 May 2018

Jasmine Healthcare Limited (Registered number: 04974703)

Consolidated Profit and Loss Account
for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
TURNOVER		5,177,836	5,285,056
Cost of sales		3,031,719	3,068,380
		<hr/>	<hr/>
GROSS PROFIT		2,146,117	2,216,676
Administrative expenses		1,165,729	971,799
		<hr/>	<hr/>
EBITDA*		980,388	1,244,877
Depreciation	4	313,375	343,622
		<hr/>	<hr/>
OPERATING PROFIT		667,013	901,225
Interest payable and similar charges	5	92,198	87,985
		<hr/>	<hr/>
PROFIT BEFORE TAXATION		574,815	813,270
Tax on profit on ordinary activities	6	(9,311)	181,142
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		584,126	632,128
		<hr/>	<hr/>
Profit attributable to: Owners of the parent		584,126	632,128

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

These notes for part of these financial statements

Consolidated Other Comprehensive Income
for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
PROFIT FOR THE YEAR		584,126	632,128
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>584,126</u>	<u>632,128</u>
Total comprehensive income attributable to: Owners of the parent		<u>584,126</u>	<u>632,128</u>

The notes form part of these financial statements

Consolidated Statement of Financial Position
31 March 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	9	11,487,352	11,162,237
Investments	10	2	-
		<u>11,487,354</u>	<u>11,162,237</u>
CURRENT ASSETS			
Debtors	11	500,520	134,695
Cash at bank and in hand		73,304	28,808
		<u>573,824</u>	<u>163,503</u>
CREDITORS			
Amounts falling due within one year	12	785,403	1,136,319
NET CURRENT LIABILITIES		<u>(211,579)</u>	<u>(972,816)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,275,775</u>	<u>10,189,421</u>
CREDITORS			
Amounts falling due after more than one year	13	(4,116,582)	(3,482,519)
PROVISIONS FOR LIABILITIES	16	<u>(746,744)</u>	<u>(873,960)</u>
NET ASSETS		<u>6,412,449</u>	<u>5,832,942</u>
CAPITAL AND RESERVES			
Called up share capital	17	18,415	18,034
Share premium	18	565,592	565,592
Revaluation reserve	18	4,218,945	4,218,945
Capital redemption reserve	18	9,744	9,744
Retained earnings	18	1,599,753	1,020,627
SHAREHOLDERS' FUNDS		<u>6,412,449</u>	<u>5,832,942</u>

The financial statements were approved by the director on 21 May 2018 and were signed by:



Mr C D Clark - Director

Company Statement of Financial Position
31 March 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	9	6,601,915	6,687,241
Investments	10	682,107	682,105
		<u>7,284,022</u>	<u>7,369,346</u>
CURRENT ASSETS			
Debtors	11	2,764,802	1,951,675
Cash at bank and in hand		58,485	27,364
		<u>2,823,287</u>	<u>1,979,039</u>
CREDITORS			
Amounts falling due within one year	12	543,761	915,480
NET CURRENT ASSETS		<u>2,279,526</u>	<u>1,063,559</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,563,548</u>	<u>8,432,905</u>
CREDITORS			
Amounts falling due after more than one year	13	(4,116,582)	(3,482,519)
PROVISIONS FOR LIABILITIES	16	(376,523)	(459,449)
NET ASSETS		<u>5,070,443</u>	<u>4,490,937</u>
CAPITAL AND RESERVES			
Called up share capital	17	18,415	18,034
Share premium	18	565,592	565,592
Revaluation reserve	18	2,196,039	2,196,039
Capital redemption reserve	18	9,743	9,743
Retained earnings	18	2,280,654	1,701,529
SHAREHOLDERS' FUNDS		<u>5,070,443</u>	<u>4,490,937</u>
Company's profit for the financial year		<u>584,125</u>	<u>675,399</u>

The financial statements were approved by the director on 21 May 2018 and were signed by:



Mr C D Clark - Director

**Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2018**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 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
Changes in equity			
Issue of share capital	381	-	-
Dividends	-	(5,000)	-
Total comprehensive income	-	584,126	-
Balance at 31 March 2018	18,415	1,599,753	565,592
	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 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
Changes in equity			
Issue of share capital	-	-	381
Dividends	-	-	(5,000)
Total comprehensive income	-	-	584,126
Balance at 31 March 2018	4,218,945	9,744	6,412,449

The notes form part of these financial statements

Company Statement of Changes in Equity
for the Year Ended 31 March 2018

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 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
Changes in equity			
Issue of share capital	381	-	-
Dividends	-	(5,000)	-
Total comprehensive income	-	584,125	-
Balance at 31 March 2018	18,415	2,280,654	565,592
	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 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
Changes in equity			
Issue of share capital	-	-	381
Dividends	-	-	(5,000)
Total comprehensive income	-	-	584,125
Balance at 31 March 2018	2,196,039	9,743	5,070,443

The notes form part of these financial statements

Consolidated Statement of Cash Flows
for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	635,265	1,248,766
Interest paid		(92,198)	(87,985)
Tax paid		(169,781)	(193,729)
Net cash from operating activities		373,286	967,052
Cash flows from investing activities			
Purchase of tangible fixed assets		(638,490)	(502,437)
Purchase of fixed asset investments		(2)	-
Net cash from investing activities		(638,492)	(502,437)
Cash flows from financing activities			
Movement on loans in year		314,321	-
Loan repayments in year		-	(547,820)
Share issue		381	-
Equity dividends paid		(5,000)	(2,500)
Net cash from financing activities		309,702	(550,320)
Increase/(decrease) in cash and cash equivalents		44,496	(85,705)
Cash and cash equivalents at beginning of year	2	28,808	114,513
Cash and cash equivalents at end of year	2	73,304	28,808

The notes form part of these financial statements

Notes to the Consolidated Statement of Cash Flows
for the Year Ended 31 March 2018

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

	2018	2017
	£	£
Profit before taxation	574,815	813,270
Depreciation charges	313,373	343,622
Finance costs	92,198	87,985
	<hr/>	<hr/>
	980,386	1,244,877
Increase in trade and other debtors	(365,823)	(28,751)
Increase in trade and other creditors	20,702	32,640
	<hr/>	<hr/>
Cash generated from operations	635,265	1,248,766
	<hr/>	<hr/>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the 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 2018

	31.3.18	1.4.17
	£	£
Cash and cash equivalents	73,304	28,808
	<hr/>	<hr/>

Year ended 31 March 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	28,808	114,513
	<hr/>	<hr/>

Notes to the Consolidated Financial Statements
for the Year Ended 31 March 2018

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.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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), with the exception of subsidiaries that are held exclusively for resale.

Subsidiaries held exclusively for resale are not consolidated, and held within fixed asset investments, at cost.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Turnover

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

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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Pension costs and other post-retirement benefits

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

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2018

3. EMPLOYEES AND DIRECTORS

	2018 £	2017 £
Wages and salaries	2,988,229	2,962,303
Social security costs	64,858	54,019
Other pension costs	4,695	6,481
	<u>3,057,782</u>	<u>3,022,803</u>

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

	2018	2017
Jasmine Healthcare Limited	118	120
Orchard Court Residential Home Limited	25	25
Oxendon House Care Home Limited	27	29
	<u>170</u>	<u>174</u>

	2018 £	2017 £
Director's remuneration	-	-

4. OPERATING PROFIT

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation - owned assets	313,375	343,622
Auditors' remuneration	8,400	8,000

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018 £	2017 £
Bank interest	5,318	3,005
Mortgage interest	86,880	84,980
	<u>92,198</u>	<u>87,985</u>

6. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit for the year was as follows:

	2018 £	2017 £
Current tax:		
UK corporation tax	117,905	169,782
Deferred tax	(127,216)	11,360
Tax on profit	<u>(9,311)</u>	<u>181,142</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2018

6. **TAXATION - continued**

Reconciliation of total tax (credit)/charge included in profit and loss

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

	2018 £	2017 £
Profit before tax	574,815	813,270
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%)	109,215	162,654
Effects of:		
Depreciation in excess of capital allowances	10,446	6,974
Utilisation of tax losses	(1,756)	-
Temporary timing differences	(127,216)	11,514
Total tax (credit)/charge	(9,311)	181,142

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**

	2018 £	2017 £
Ordinary A shares of 10p each		
Final	5,000	2,500

9. **TANGIBLE FIXED ASSETS**

Group

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 April 2017	10,791,454	1,171,740	76,730	12,039,924
Additions	253,891	384,599	-	638,490
Disposals	-	(245,839)	-	(245,839)
At 31 March 2018	11,045,345	1,310,500	76,730	12,432,575
DEPRECIATION				
At 1 April 2017	332,168	529,534	15,985	877,687
Charge for year	132,040	165,455	15,880	313,375
Eliminated on disposal	-	(245,839)	-	(245,839)
At 31 March 2018	464,208	449,150	31,865	945,223
NET BOOK VALUE				
At 31 March 2018	10,581,137	861,350	44,865	11,487,352
At 31 March 2017	10,459,286	642,206	60,745	11,162,237

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2018

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.

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

Cost or valuation of Land and buildings at 31 March 2018 is represented by:

	£
Valuation in Year ended 31 March 2015, after FRS 102 transition date	572,468
Valuation in 2016	821,760
Deemed cost	9,651,117
	<hr/>
	11,045,345

Land and buildings were valued on a market value basis on 24 November 2016 and 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 2017	6,502,509	780,618	76,730	7,359,857
Additions	-	114,296	-	114,296
Disposals	-	(185,187)	-	(185,187)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	6,502,509	709,727	76,730	7,288,966
DEPRECIATION				
At 1 April 2017	209,546	447,085	15,985	672,616
Charge for year	75,623	108,119	15,880	199,622
Eliminated on disposal	-	(185,187)	-	(185,187)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	285,169	370,017	31,865	687,051
NET BOOK VALUE				
At 31 March 2018	<hr/> 6,217,340 <hr/>	<hr/> 339,710 <hr/>	<hr/> 44,865 <hr/>	<hr/> 6,601,915 <hr/>
At 31 March 2017	<hr/> 6,292,963 <hr/>	<hr/> 333,533 <hr/>	<hr/> 60,745 <hr/>	<hr/> 6,687,241 <hr/>

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.

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

Cost or valuation of Land and buildings at 31 March 2018 is represented by:

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

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

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2018

10. **FIXED ASSET INVESTMENTS**

Group

	Shares in group undertakings £
COST	
Additions	2
At 31 March 2018	2
NET BOOK VALUE	
At 31 March 2018	2

Company

	Shares in group undertakings £
COST	
At 1 April 2017	682,105
Additions	2
At 31 March 2018	682,107
NET BOOK VALUE	
At 31 March 2018	682,107
At 31 March 2017	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: Suite One, Pattinson House, Oak Park, East Road, Sleaford, Lincolnshire, NG34 7EQ

Nature of business: Provision of care for the elderly

	% holding	2018 £	31.3.17 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		826,136	654,047
Profit for the year		172,089	110,315

Oxendon House Care Home Limited

Registered office: Suite One, Pattinson House, Oak Park, East Road, Sleaford, Lincolnshire, NG34 7EQ

Nature of business: Provision of care for the elderly

	% holding	2018 £	31.3.17 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		1,464,969	1,370,061
Profit for the year		94,908	147,686

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2018

10. **FIXED ASSET INVESTMENTS - continued**

Beldon House Hotel Limited

Registered office: Suite One, Pattinson House, Oak Park, East Road, Sleaford, Lincolnshire, NG34 7EQ

Nature of business: Hotel

	%
Class of shares:	holding
Ordinary	100.00
	2018
	£
Aggregate capital and reserves	(74,644)
Loss for the year	(15,621)

Beldon House Hotel Limited has been excluded from consolidation due to the fact it is an investment held exclusively for resale.

11. **DEBTORS**

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	78,747	118,005	45,637	89,175
Other debtors	421,773	16,690	417,421	9,854
	<u>500,520</u>	<u>134,695</u>	<u>463,058</u>	<u>99,029</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	2,301,744	1,852,646
	<u>500,520</u>	<u>134,695</u>	<u>2,764,802</u>	<u>1,951,675</u>

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

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans and overdrafts (see note 14)	169,578	489,320	169,578	489,320
Trade creditors	124,555	150,534	59,658	103,887
Corporation tax	117,905	169,781	61,236	100,159
Social security and other taxes	73,571	70,398	50,377	46,950
Other creditors	211,931	195,915	148,702	135,852
Accruals and deferred income	87,863	60,371	54,210	39,312
	<u>785,403</u>	<u>1,136,319</u>	<u>543,761</u>	<u>915,480</u>

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

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans (see note 14)	4,116,582	3,482,519	4,116,582	3,482,519

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2018

14. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Amounts falling due within one year or on demand:				
Bank loans	<u>169,578</u>	<u>489,320</u>	<u>169,578</u>	<u>489,320</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>720,835</u>	<u>1,531,451</u>	<u>720,835</u>	<u>1,531,451</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	<u>3,395,747</u>	<u>1,951,068</u>	<u>3,395,747</u>	<u>1,951,068</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Bank loans	<u>4,286,160</u>	<u>3,971,839</u>	<u>4,286,160</u>	<u>3,971,839</u>

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	
	2018 £	2017 £	2018 £	2017 £
Deferred tax	<u>746,744</u>	<u>873,960</u>	<u>376,523</u>	<u>459,449</u>
Group				
				Deferred tax £
Balance at 1 April 2017				873,960
Provided during year				(127,216)
Balance at 31 March 2018				<u>746,744</u>
Company				
				Deferred tax £
Balance at 1 April 2017				459,449
Provided during year				(82,926)
Balance at 31 March 2018				<u>376,523</u>

17. CALLED UP SHARE CAPITAL

Alotted, issued and fully paid: Number:	Class:	Nominal value:	2018 £	2017 £
180,339	Ordinary A	10p	16,582	18,034
14,528	Ordinary B	10p	1,453	-
3,800	Ordinary C	10p	380	-
			<u>18,415</u>	<u>18,034</u>

3,800 Ordinary C shares of 10p each were allotted and fully paid for cash at par during the year.

18. RESERVES

Group

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 April 2017	1,020,627	565,592	4,218,945	9,744	5,814,908
Profit for the year	584,126				584,126
Dividends	(5,000)				(5,000)
At 31 March 2018	<u>1,599,753</u>	<u>565,592</u>	<u>4,218,945</u>	<u>9,744</u>	<u>6,394,034</u>

Company

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 April 2017	1,701,529	565,592	2,196,039	9,743	4,472,903
Profit for the year	584,125				584,125
Dividends	(5,000)				(5,000)
At 31 March 2018	<u>2,280,654</u>	<u>565,592</u>	<u>2,196,039</u>	<u>9,743</u>	<u>5,052,028</u>

19. RELATED PARTY DISCLOSURES

During the year, total dividends of £5,000 were paid to the director.

During the year, loans made by the director to a subsidiary Company, amounting to £214,649, were assigned to Jasmine Healthcare, and subsequently repaid to the director. A balance of £Nil (2017: £Nil) was owed at the year end.

20. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Director Mr C D Clark.