

**BRAMLEY COURT (CARE HOMES)  
LIMITED**

**Annual Report and Financial Statements**

**For the year ended 30 September 2016**

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**Annual report and financial statements  
For the year ended 30 September 2016**

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# **BRAMLEY COURT (CARE HOMES) LIMITED**

## **Annual report and financial statements For the year ended 30 September 2016**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

G K Sizer  
P H Scott

#### **COMPANY SECRETARY**

G Sizer

#### **REGISTERED OFFICE**

2<sup>nd</sup> Floor  
Tirrem House  
16 High Street  
Yarm  
Cleveland  
TS15 9AE

#### **AUDITOR**

Deloitte LLP  
Statutory Auditor  
Newcastle upon Tyne  
United Kingdom

## **BRAMLEY COURT (CARE HOMES) LIMITED**

### **DIRECTORS' REPORT**

**For the year ended 30 September 2016**

The directors present their Annual Report, together with the audited financial statements and independent auditor's report for the year ended 30 September 2016.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. The Company has also taken the small companies' exemption from the requirement to prepare a strategic report.

#### **ACTIVITIES**

The principal activity of the company during the year has been the letting of property to Zest Care Homes Limited, a fellow group company.

#### **DIRECTORS**

The directors who served throughout the year and since were as follows:

G K Sizer  
P H Scott

#### **GOING CONCERN**

After making enquiries, although in a net liabilities position, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies note, on page 9, of the financial statements.

#### **AUDITOR**

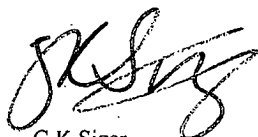
Each of the persons who are directors of the company at the date of this report confirms that:

- So far as the director is aware there is no relevant audit information of which the company's auditor is unaware, and
- The director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of this information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



G K Sizer  
Director  
22 June 2017

**DIRECTORS' RESPONSIBILITIES STATEMENT**

**For the year ended 30 September 2016**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard as applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BRAMLEY COURT (CARE HOMES) LIMITED**

We have audited the financial statements of Bramley Court (Care Homes) Limited for the year ended 30 September 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 12. 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 FRS 102 "The Financial Reporting Standard as applicable in the UK and Republic of Ireland".

This report is made solely to the company's member, 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 member those matters we are required to state to them in an auditor's report 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 member, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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 company's affairs as at 30 September 2016 and of its result 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BRAMLEY COURT (CARE HOMES) LIMITED (continued)**

### **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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report or from the requirement to prepare a strategic report.



David Johnson BA FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
Newcastle Upon Tyne, United Kingdom  
22 June 2017

# BRAMLEY COURT (CARE HOMES) LIMITED

## PROFIT AND LOSS ACCOUNT For the year ended 30 September 2016

	Note	2016 £	2015 £
<b>TURNOVER</b>		-	-
Administrative expenses		-	(101)
<b>OPERATING RESULT/(LOSS)</b>		-	(101)
Interest payable and similar charges		-	(113,235)
<b>RESULT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	-	(113,336)
Tax on profit on ordinary activities	4	-	-
<b>RESULT/(LOSS) FOR THE FINANCIAL YEAR</b>		-	(113,336)

All activities derive from continuing operations.

The notes on pages 9 – 14 form an integral part of these financial statements.

## Statement of comprehensive income for the year ended 30 September 2016

		2016 £	2015 £
<b>Result/(loss) for the financial year</b>		-	(113,336)
Tax relating to components of other comprehensive income	8	(36,402)	(16,465)
<b>Other comprehensive income attributable to equity shareholders of the Company</b>		(36,402)	(129,801)



# BRAMLEY COURT (CARE HOMES) LIMITED

## BALANCE SHEET As at 30 September 2016

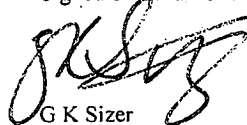
	Note	2016 £	2015 As restated £
<b>FIXED ASSETS</b>			
Tangible assets	5	6,000,000	6,000,000
<b>CURRENT ASSETS</b>			
Debtors	6	80,242	80,242
<b>CREDITORS: amounts falling due within one year</b>	7	(2,466,029)	(2,466,029)
<b>NET CURRENT LIABILITIES</b>		(2,385,787)	(2,385,787)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,614,213	3,614,213
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>		(399,049)	(435,451)
<b>NET ASSETS</b>		3,215,164	3,178,762
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	1	1
Profit and loss account		466,016	466,016
Fair value reserve		2,749,147	2,712,745
<b>SHAREHOLDERS' FUNDS</b>		3,215,164	3,178,762

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

The notes on pages 9 – 14 form an integral part of these financial statements.

The financial statements of Bramley Court (Care Homes) Limited registered number 05107197 were approved by the Board of Directors on 22 June 2017.

Signed on behalf of the Board of Directors



G K Sizer

Director

# BRAMLEY COURT (CARE HOMES) LIMITED

## STATEMENT OF CHANGES IN EQUITY For the year ended 30 September 2016

	Called-up share capital £	Fair value reserve £	Profit and loss account £	Total £
<b>At 30 September 2014 as previously stated</b>	1	3,148,196	579,352	3,727,549
Changes on transition to FRS 102 (see note 13)	-	(451,916)	-	(451,916)
<b>At 1 October 2014 as restated</b>	-	2,696,280	579,352	3,275,633
Profit and total comprehensive income for the financial year	-	-	(113,336)	(113,336)
Release of deferred tax from revaluation	-	16,465	-	16,465
<b>At 30 September 2015</b>	1	2,712,745	466,016	3,178,762
Profit and total comprehensive income for the financial year	-	-	-	-
Release of deferred tax from revaluation	-	36,402	-	36,402
<b>At 30 September 2016</b>	1	2,749,147	466,016	3,215,164

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 September 2016**

**1. ACCOUNTING POLICIES**

The particular accounting policies adopted by the directors are described below, and have been applied consistently for the current and prior year.

**Basis of preparation**

Bramley Court (Care Homes) Limited is a company incorporated in the United Kingdom under the Companies Act. The Company is a private company limited by shares and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Director's Report on page 2.

The financial statements have been prepared in accordance with the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year. See note 12 for more information.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company's Shareholder has been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received. The Company is consolidated in the financial statements of its parent, Zest Investment Group Limited, which can be obtained from the Companies House at Crown Way, Cardiff, Wales CF14 3UZ. Exemptions have been taken in these separate Company financial statements in relation to a cash flow statement, related party transactions and remuneration of key management personnel.

**Going concern**

In January 2015 the Company disposed of Iceni House Care home and the net sales consideration of £4.1m was used to repay group borrowings. In March 2015 the residual borrowings were successfully refinanced under a new £4 million term loan facility expiring in April 2018.

The Company funds ongoing working capital requirements and interest payments through its cash balance and cash generated from trading.

The Company's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the Company should be able to operate comfortably within the level of the new term loan facility.

On this basis the directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings: 50 years

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**for the year ended 30 September 2016**

**1. Accounting policies (continued)**

**Revaluation of properties**

Individual freehold and leasehold properties (other than investment properties) are revalued to fair value every year with the surplus or deficit on book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account.

**Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax liabilities are not discounted.

**Basic financial instruments**

*Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

**Critical accounting judgements**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. There are no critical accounting judgements in the preparation of the financial statements.

**Key sources of estimation uncertainty**

*Impairment and valuation*

The Company tests annually whether its assets have suffered any impairment. Where required, recoverable amounts are calculated using the higher of fair value less cost to sell, and value in use. Additionally, freehold properties are held at fair value per note 5, revalued on a sufficiently regular basis to avoid material differences between carrying value and fair value.

**2. EMPLOYEES**

The average number of employees (including directors) were:

	2016 No.	2015 No.
Directors	<u>2</u>	<u>2</u>

No emoluments were received or are receivable by any director in respect of services during the current or preceding year.

# BRAMLEY COURT (CARE HOMES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) for the year ended 30 September 2016

### 3. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	2016 £	2015 £
<b>Auditor's remuneration:</b>		
- fees payable to company's auditor for the audit of the company's annual financial statements	2,030	2,000

Audit fees are paid by another group company. Fees payable to the Company's auditor for non-audit services amounting to £1,400 (2015: £1,400) have been paid by another group company.

### 4. TAX ON RESULT/(LOSS) ON ORDINARY ACTIVITIES

#### i) Analysis of tax charge on ordinary activities

	2016 £	2015 £
United Kingdom corporation tax on the result/(loss) for the year	-	-
Deferred tax	-	-
Tax on result/(loss) on ordinary activities	-	-

#### ii) Factors affecting tax charge for the current year.

The tax assessed for the year is lower than that resulting from applying the standard rate of corporation tax in the UK: 20% (2015: 20.5%).

The differences are explained below:

	2016 £	2015 £
Result/(loss) on ordinary activities before tax	-	(113,336)

# BRAMLEY COURT (CARE HOMES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) for the year ended 30 September 2016

Tax at 20% (2015: 20.5%) thereon:	-	(23,232)
Group relief not paid for	-	10,393
Tax losses not utilised	-	12,839
	<u>-</u>	<u>12,839</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

### 5. TANGIBLE FIXED ASSETS

	Freehold property £
<b>Valuation</b>	
At 1 October 2015	6,000,000
At 30 September 2016	6,000,000
<b>Net book value</b>	
At 30 September 2016	6,000,000
At 30 September 2015	6,000,000

The property has been valued at 30 September 2016 by the directors based on their assessment of open market value. The valuation was based on a discounted value per bed and with reference to current market conditions.

If the property had not been revalued it would have been included at £2,851,804 according to the historical cost convention.

### 6. DEBTORS: DUE WITHIN ONE YEAR

	2016 £	2015 £
Amounts due from group undertakings	80,242	80,242

### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Amounts owed to group undertakings	2,466,029	2,466,029
	<u>2,466,029</u>	<u>2,466,029</u>

The amounts owed to group undertakings are have no repayment date and are due on demand bearing no interest.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**for the year ended 30 September 2016**

**8. PROVISION FOR LIABILITIES AND CHARGES**

	<b>Deferred tax £</b>
At 1 October 2015	(435,451)
Deferred tax charge in OCI for the period	36,402
	<hr/>
At 30 September 2016	<u>(399,049)</u>

The amounts of deferred taxation provided in the financial statements are as follows:

	<b>2016 £</b>	<b>2015 £</b>
Fixed asset timing differences	(399,049)	(435,451)
	<hr/>	<hr/>
	<u>(399,049)</u>	<u>(435,451)</u>

**9. CALLED-UP SHARE CAPITAL**

	<b>2016 £</b>	<b>2015 £</b>
<i>Allotted, called-up and fully paid</i>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

**10. RELATED PARTY TRANSACTIONS**

The company has taken the exemption provided under FRS 102 to not disclose intercompany transactions with other group undertakings within the Zest Investment Group (own 100% of Bramley Court (Care Homes) Limited).

There are no transactions between the Company and directors during the current or prior year.

The key management personnel of the Company are also the key management personnel of the Group and other group undertakings. Further details can be found in the consolidated financial statements of Zest Investment Group Limited.

**11. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The directors regard Bramley (2007) Limited, a company incorporated in the United Kingdom and registered in England and Wales, as being the company's immediate parent company.

The directors regard Zest Investment Group Limited, a company incorporated in England and Wales, as being the company's ultimate parent company and is the parent company of the largest and smallest group which includes the company. The registered address of these entities is available on page 1 of these financial statements. Copies of the group accounts are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

Zest Investment Group Limited is jointly controlled by the directors who each control 50 per cent of the issued share capital of the company.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**for the year ended 30 September 2016**

**12. Transition to FRS 102**

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 30 September 2015 and the date of transition to FRS 102 was therefore 1 October 2014. As a consequence of adopting FRS 102, a number of accounting policies have changed to comply with that standard. The revaluation reserve has been renamed as 'Fair value reserve' for the purpose of tracking non-distributable reserves as a result of property valuations.

***Reconciliation of equity***

	<b>At 1 October 2014 £</b>	<b>At 30 September 2015 £</b>
Equity reported under previous UK GAAP	3,727,549	3,614,213
<b>Adjustments to equity on transition to FRS 102</b>		
1 Deferred tax on previous revaluations	(451,916)	(451,916)
2 Release of deferred tax on previous revaluations	-	16,465
Equity reported under FRS 102	<u>3,275,633</u>	<u>3,178,762</u>

***Notes to the reconciliation of equity at 30 September 2015***

The revaluation reserve has been renamed as 'Fair value reserve' for the purpose of tracking non-distributable reserves as a result of property valuations. Deferred tax was recognised on previous revaluations and released during the year.

***Reconciliation of profit or loss for 2016***

	<b>£</b>
<b>Profit for the financial year under previous UK GAAP</b>	-
1 Revaluation of investment property	-
<b>Profit for the financial year under FRS 102</b>	<u>-</u>