

Registered number: 06216796

CARE CONCERN (LEEDS) LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2016

RPG CROUCH CHAPMAN LLP
Chartered Accountants
62 Wilson Street
London
EC2A 2BU

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COMPANIES HOUSE

CARE CONCERN (LEEDS) LIMITED

COMPANY INFORMATION

DIRECTOR M S Johal

COMPANY SECRETARY G Tatla

REGISTERED NUMBER 06216796

REGISTERED OFFICE 204 Field End Road
Eastcote
Pinner
Middlesex
HA5 1RD

INDEPENDENT AUDITORS RPG Crouch Chapman LLP
Chartered Accountants & Registered Auditors
62 Wilson Street
London
EC2A 2BU

CARE CONCERN (LEEDS) LIMITED

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CARE CONCERN (LEEDS) LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016

INTRODUCTION

The directors present their strategic report for the period ended 30 September 2016.

BUSINESS REVIEW

The group acquired six freehold care homes during the period and the results are disclosed on page 6. The group also acquired Hutton Park Limited which operate one care home. Therefore the group has increased its operating homes to 8 from 1 during the year.

PRINCIPAL RISKS AND UNCERTAINTIES

Treasury operations and financial instruments

The primary financial instruments are bank deposits, trade creditors and shareholder's loan. These arise directly from the company's trading operations and shareholder's support.

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the group has sufficient liquid resources to meet the operating needs of the business.

Credit Risk

The principal financial assets are bank balances and cash, which represent the group's maximum exposure to credit risk in relation to financial assets.

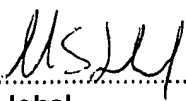
Foreign currency risk

The group is not exposed in its trading operations to the risk of changes in foreign currency exchange rates.

FINANCIAL KEY PERFORMANCE INDICATORS

	2016	2015
Turnover	£6.5m	£1.8m
Gross Profit Margin	41.0%	41.1%
Operating Profit Margin	14.6%	2.1%

This report was approved by the board on 18 July 2017 and signed on its behalf.


.....
M S Johal
Director

CARE CONCERN (LEEDS) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016

The director presents his report and the financial statements for the year ended 30 September 2016.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Group Strategic Report, the Director's Report and the consolidated 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 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'. Under company law the director must not approve the financial statements unless he is satisfied that he gives 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 for the Group's financial statements and then apply them consistently;
- make judgments 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 Group will continue in business.

The director is 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 the Group and to 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.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £423,031 (2015 -£37,755).

DIRECTOR

The director who served during the year was:

M S Johal

FUTURE DEVELOPMENTS

The directors do not consider there to be any future developments which require specific disclosure.

CARE CONCERN (LEEDS) LIMITED

DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016

DISCLOSURE OF INFORMATION TO AUDITORS

The director at the time when this Director's Report is approved has confirmed that:

- so far as is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

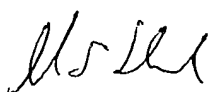
POST BALANCE SHEET EVENTS

There have been no significant events affecting the Group since the year end.

AUDITORS

Under section 487(2) of the Companies Act 2006, RPG Crouch Chapman LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 18 July 2017 and signed on its behalf.



.....
M S Johal
Director

CARE CONCERN (LEEDS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CARE CONCERN (LEEDS) LIMITED

We have audited the financial statements of Care Concern (Leeds) Limited for the year ended 30 September 2016, set out on pages 6 to 27. The relevant financial reporting framework that has been applied in their preparation is applicable law and the 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 an Auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Director's Responsibilities Statement on page 2, 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 Financial Reporting Council'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 Director's 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.

Prior period financial statements

The financial statements of the prior year were not audited.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent Company's affairs as at 30 September 2016 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

CARE CONCERN (LEEDS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CARE CONCERN (LEEDS) LIMITED (CONTINUED)

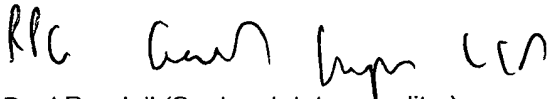
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Group Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with those 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.



Paul Randall (Senior statutory auditor)

for and on behalf of
RPG Crouch Chapman LLP

Chartered Accountants
Registered Auditors

62 Wilson Street
London
EC2A 2BU

18 July 2017

CARE CONCERN (LEEDS) LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Note	2016 £	2015 £
Turnover	4	6,450,487	1,805,095
Cost of sales		(3,808,833)	(1,065,202)
GROSS PROFIT		2,641,654	739,893
Administrative expenses		(1,698,995)	(702,138)
OPERATING PROFIT	5	942,659	37,755
Interest payable and expenses	8	(419,108)	-
PROFIT BEFORE TAXATION		523,551	37,755
Tax on profit	9	(100,520)	-
PROFIT FOR THE YEAR		423,031	37,755
Unrealised surplus on revaluation of tangible fixed assets		5,215,225	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR		5,215,225	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		5,638,256	37,755
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the parent Company		423,031	37,755
		423,031	37,755
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the parent Company		5,638,256	37,755
		5,638,256	37,755

There were no recognised gains and losses for 2016 or 2015 other than those included in the consolidated statement of comprehensive income.

The notes on pages 12 to 27 form part of these financial statements.

CARE CONCERN (LEEDS) LIMITED
REGISTERED NUMBER:06216796

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	11	18,030,866	13,114
Investments	12	1,300,200	1,718,020
		<u>19,331,066</u>	<u>1,731,134</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	13	2,829,891	631,626
Cash at bank and in hand	14	733,707	182,473
		<u>3,563,598</u>	<u>814,099</u>
Creditors: amounts falling due within one year	15	(2,436,670)	(822,491)
NET CURRENT ASSETS/(LIABILITIES)		<u>1,126,928</u>	<u>(8,392)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,457,994</u>	<u>1,722,742</u>
Creditors: amounts falling due after more than one year	16	11,793,189)	-
PROVISIONS FOR LIABILITIES			
Deferred taxation	19	(1,303,807)	-
		<u>(1,303,807)</u>	<u>-</u>
NET ASSETS EXCLUDING PENSION ASSET		<u>7,360,998</u>	<u>1,722,742</u>
NET ASSETS		<u>7,360,998</u>	<u>1,722,742</u>
CAPITAL AND RESERVES			
Called up share capital	20	200	200
Revaluation reserve	21	5,215,225	-
Profit and loss account	21	2,145,573	1,722,542
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		<u>7,360,998</u>	<u>1,722,742</u>
		<u>7,360,998</u>	<u>1,722,742</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 July 2017.

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M S Johal
Director

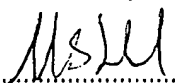
The notes on pages 12 to 27 form part of these financial statements.

CARE CONCERN (LEEDS) LIMITED
REGISTERED NUMBER:06216796

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Investments	12	1,300,200	1,718,020
		<u>1,300,200</u>	<u>1,718,020</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	13	16,395	307,771
Cash at bank and in hand	14	423,870	1,006
		<u>440,265</u>	<u>308,777</u>
Creditors: amounts falling due within one year	15	(433,007)	(431,400)
NET CURRENT ASSETS/(LIABILITIES)		<u>7,258</u>	<u>(122,623)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,307,458</u>	<u>1,595,397</u>
NET ASSETS EXCLUDING PENSION ASSET		<u>1,307,458</u>	<u>1,595,397</u>
NET ASSETS		<u><u>1,307,458</u></u>	<u><u>1,595,397</u></u>
CAPITAL AND RESERVES			
Called up share capital	20	200	200
Profit and loss account	21	1,307,258	1,595,197
		<u>1,307,458</u>	<u>1,595,397</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 July 2017.



M S Johal
 Director

CARE CONCERN (LEEDS) LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Called up share capital	Revaluation reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 October 2015	200	-	1,722,542	1,722,742	1,722,742
COMPREHENSIVE INCOME FOR THE YEAR					
Profit for the year	-	-	423,031	423,031	423,031
Surplus on revaluation of freehold property	-	5,215,225	-	5,215,225	5,215,225
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	5,215,225	-	5,215,225	5,215,225
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	5,215,225	423,031	5,638,256	5,638,256
AT 30 SEPTEMBER 2016	200	5,215,225	2,145,573	7,360,998	7,360,998

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£
At 1 October 2014	200	1,684,787	1,684,987	1,684,987
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	37,755	37,755	37,755
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	37,755	37,755	37,755
AT 30 SEPTEMBER 2015	200	1,722,542	1,722,742	1,722,742

The notes on pages 12 to 27 form part of these financial statements.

CARE CONCERN (LEEDS) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2015	200	1,595,197	1,595,397
COMPREHENSIVE INCOME FOR THE YEAR			
Loss for the year	-	(287,939)	(287,939)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	(287,939)	(287,939)
AT 30 SEPTEMBER 2016	200	1,307,258	1,307,458

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2014	200	1,595,197	1,595,397
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	-
AT 30 SEPTEMBER 2015	200	1,595,197	1,595,397

The notes on pages 12 to 27 form part of these financial statements.

CARE CONCERN (LEEDS) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016 £	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	423,031	37,755
ADJUSTMENTS FOR:		
Depreciation of tangible assets	161,035	4,371
Interest paid	419,108	-
Taxation charge	100,520	-
(Increase)/decrease in debtors	(2,354,905)	182,720
Increase/(decrease) in creditors	1,467,668	(212,182)
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>216,457</u>	<u>12,664</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	12,298,125)	-
Purchase of unlisted and other investments	552,171	-
Sale of unlisted and other investments	417,820	-
NET CASH FROM INVESTING ACTIVITIES	<u>11,328,134)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
New secured loans	11,793,189	-
Interest paid	(131,167)	-
NET CASH USED IN FINANCING ACTIVITIES	<u>11,662,022</u>	<u>-</u>
INCREASE IN CASH AND CASH EQUIVALENTS	550,345	12,664
Cash and cash equivalents at beginning of year	182,473	169,809
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	<u>732,818</u>	<u>182,473</u>
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	733,707	182,473
Bank overdrafts	(889)	-
	<u>732,818</u>	<u>182,473</u>

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

1. GENERAL INFORMATION

The legal form of the company is that of a limited liability company. The entity is incorporated in England and Wales and the company's registered office is 2nd Floor, The Priory Business Centre, Stomp Road, Burnham, Slough, SL1 7LW.

The principal activity of the company continues to be that of providing twenty four hour residential care services to the residents.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 24.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 October 2014.

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. ACCOUNTING POLICIES (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% on cost
Plant and machinery	-	25% on reducing balance
Fixtures and fittings	-	25% on reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of comprehensive income.

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. ACCOUNTING POLICIES (continued)

2.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of Financial Position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Consolidated statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.6 Valuation of investments

Investments in unlisted shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.7 Debtors

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

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.9 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. ACCOUNTING POLICIES (continued)

2.9 Financial instruments (continued)

undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Borrowing costs

All borrowing costs are recognised in the Consolidated statement of comprehensive income in the year in which they are incurred.

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. ACCOUNTING POLICIES (continued)

2.13 Provisions for liabilities

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

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

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

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF
ESTIMATION UNCERTAINTY

The items in the financial statements where significant judgments are and estimates have been made include:

Trade debtors are reviewed and provided for where there is uncertainty over recoverability.

Freehold property are reviewed each year for impairment. Unless valued by an external professional valuer, the directors apply their best judgement in determining the valuation of the freehold property at the year end.

4. TURNOVER

All turnover arose within the United Kingdom.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	161,034	4,371
Fees payable to the Group's auditor and its associates for the audit of the Company's annual financial statements	17,686	-

During the year, no director received any emoluments (2015 -£NIL).

6. AUDITORS' REMUNERATION

	2016 £	2015 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	17,686	-

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

7. EMPLOYEES

Staff costs, including director's remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	3,352,957	1,014,303
	<u>3,352,957</u>	<u>1,014,303</u>

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

	2016 No.	2015 No.
Nursing Staff	220	35
	<u>220</u>	<u>35</u>

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2016 £	2015 £
Bank interest payable	131,167	-
Other loan interest payable	287,941	-
	<u>419,108</u>	<u>-</u>

9. TAXATION

	2016 £	2015 £
CORPORATION TAX		
Current tax on profits for the year	100,520	-
	<u>100,520</u>	<u>-</u>
TOTAL CURRENT TAX	<u>100,520</u>	<u>-</u>
DEFERRED TAX		
TOTAL DEFERRED TAX	-	-
	<u>-</u>	<u>-</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>100,520</u>	<u>-</u>

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

9. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2015 -higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	523,551	37,755
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 -20%)	104,710	7,551
EFFECTS OF:		
Other differences leading to an increase (decrease) in the tax charge	(4,190)	(7,551)
TOTAL TAX CHARGE FOR THE YEAR	100,520	-

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

10. PARENT COMPANY PROFIT FOR THE YEAR

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the parent Company for the year was £287,939 (2015 -profit £NIL).

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

11. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
COST OR VALUATION					
At 1 October 2015	-	-	-	35,163	35,163
Additions	6,434,117	221,263	-	204,725	6,860,105
Acquisition of subsidiary	2,647,099	35,048	1,300	-	2,683,447
Revaluations	8,635,235	-	-	-	8,635,235
At 30 September 2016	<u>17,716,451</u>	<u>256,311</u>	<u>1,300</u>	<u>239,888</u>	<u>18,213,950</u>
DEPRECIATION					
At 1 October 2015	-	-	-	22,049	22,049
Charge for the year on owned assets	81,424	42,336	1,665	35,610	161,035
At 30 September 2016	<u>81,424</u>	<u>42,336</u>	<u>1,665</u>	<u>57,659</u>	<u>183,084</u>
NET BOOK VALUE					
At 30 September 2016	<u>17,635,027</u>	<u>213,975</u>	<u>(365)</u>	<u>182,229</u>	<u>18,030,866</u>
At 30 September 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,114</u>	<u>13,114</u>

The net book value of land and buildings may be further analysed as follows:

	2016 £	2015 £
Freehold	<u>17,635,028</u>	-
	<u>17,635,028</u>	-

The properties were valued based on Market Value by a firm of professional surveyors.

A charge is held as security on the freehold properties.

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

12. FIXED ASSET INVESTMENTS

Group

	Unlisted investments £
COST OR VALUATION	
At 1 October 2015	1,718,020
Disposals	(417,820)
At 30 September 2016	1,300,200
NET BOOK VALUE	
At 30 September 2016	1,300,200
At 30 September 2015	1,718,020

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
West Coast Care Limited	England and Wales	Ordinary	100%	Care home
Care Concern Yorkshire Ltd	England and Wales	Ordinary	100%	Care home
Hutton Park Limited	England and Wales	Ordinary	100%	Care home

The aggregate of the share capital and reserves as at 30 September 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
West Coast Care Limited	4,504,187	586,581
Care Concern Yorkshire Ltd	1,538,523	113,361
Hutton Park Limited	1,192,916	(120,182)
	7,235,626	579,760

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

12. FIXED ASSET INVESTMENTS (CONTINUED)

Company

	Unlisted investments £
COST OR VALUATION	
At 1 October 2015	1,718,020
Disposals	(417,820)
At 30 September 2016	<u>1,300,200</u>
NET BOOK VALUE	
At 30 September 2016	<u>1,300,200</u>
At 30 September 2015	<u>1,718,020</u>

13. DEBTORS

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Trade debtors	354,130	107,444	-	-
Amounts owed by group undertakings	-	-	16,395	19,830
Other debtors	2,276,950	412,841	-	287,941
Prepayments and accrued income	198,811	111,341	-	-
	<u>2,829,891</u>	<u>631,626</u>	<u>16,395</u>	<u>307,771</u>

14. CASH AND CASH EQUIVALENTS

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Cash at bank and in hand	733,707	182,473	423,870	1,006
Less: bank overdrafts	(889)	-	-	-
	<u>732,818</u>	<u>182,473</u>	<u>423,870</u>	<u>1,006</u>

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

15. CREDITORS: Amounts falling due within one year

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Bank overdrafts	889	-	-	-
Bank loans	737,825	-	-	-
Trade creditors	278,450	177,548	1	1
Corporation tax	533,526	431,231	433,006	431,231
Other taxation and social security	257,490	77,397	-	-
Other creditors	465,390	-	-	-
Accruals and deferred income	163,100	136,315	-	168
	<u>2,436,670</u>	<u>822,491</u>	<u>433,007</u>	<u>431,400</u>

16. CREDITORS: Amounts falling due after more than one year

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Bank loans	11,793,189	-	-	-
	<u>11,793,189</u>	<u>-</u>	<u>-</u>	<u>-</u>

17. LOANS

The bank loans and bank overdrafts are secured by way of a fixed and floating charge over the assets of the group.

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
AMOUNTS FALLING DUE WITHIN ONE YEAR				
Bank loans	737,825	-	-	-
AMOUNTS FALLING DUE 1-2 YEARS				
Bank loans	2,948,297	-	-	-
AMOUNTS FALLING DUE AFTER MORE THAN 5 YEARS				
Bank loans	8,844,892	-	-	-
	<u>12,531,014</u>	<u>-</u>	<u>-</u>	<u>-</u>

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

18. FINANCIAL INSTRUMENTS

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
FINANCIAL ASSETS				
Financial assets measured at fair value through profit or loss	2,033,907	1,900,493	1,724,070	1,719,026
Financial assets that are debt instruments measured at amortised cost	2,631,080	520,285	16,395	307,771
	<u>4,664,987</u>	<u>2,420,778</u>	<u>1,740,465</u>	<u>2,026,797</u>
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost	13,116,719)	(313,863)	(1)	(167)
	<u>13,116,719)</u>	<u>(313,863)</u>	<u>(1)</u>	<u>(167)</u>

Financial assets measured at fair value through profit or loss comprise freehold property

Financial assets that are debt instruments measured at amortised cost comprise of cash and bank balances, trade debtors, amounts owed by group companies and other debtors.

Financial liabilities measured at amortised cost comprise of bank overdrafts, bank loans, trade creditors, amounts owed to group companies and other creditors.

19. DEFERRED TAXATION

Group

	2016 £
Charged to other comprehensive income	(979,377)
	<u>(324,430)</u>
AT END OF YEAR	<u>(1,303,807)</u>
	Group 2016 £
Freehold property revaluation	(1,303,807)
	<u>(1,303,807)</u>

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

20. SHARE CAPITAL

	2016 £	2015 £
<u>Shares classified as equity</u>		
<u>Allotted, called up and fully paid</u>		
200 Ordinary shares of £1 each	200	200

21. RESERVES

Revaluation reserve

A revaluation reserve records the surplus that arise when the value of an asset becomes greater than the value at which it was previously carried on the balance sheet.

Profit and loss account

The profit and loss account reserve is comprised of the accumulated profits and losses of the company, less any dividends paid.

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

22. Business combinations

On 1 of September 2016 the group acquired 100% of Hutton Park Limited for £3,236,740 paid in cash.

In calculating the goodwill arising on acquisition, the fair value of net assets have been assessed and adjustments from book value have been made where necessary.

	Book value £	Fair value £
Fixed Assets		
Property	507,368	2,562,022
Plant & Machinery	35,048	35,048
Motor vehicles	1,300	1,300
Fixtures and fittings	-	-
	<u>543,716</u>	<u>2,598,370</u>
Debtors	131,301	131,301
Cash at bank and in hand	552,171	552,171
	<u>1,227,188</u>	<u>3,281,842</u>
Total assets		
Creditors due within one year	(45,102)	(45,102)
Creditors due after more than one year	-	-
	<u>1,182,086</u>	<u>3,236,740</u>
Net assets		
Freehold property fair value adjustment	2,054,654	-
	<u>3,236,740</u>	<u>3,236,740</u>
Total purchase consideration		
Total deferred consideration	-	-
Cash & cash equivalents in subsidiary acquired	(552,171)	(552,171)
	<u>2,684,569</u>	<u>2,684,569</u>
Cash outflow on acquisition		

The results of the acquired subsidiary since acquisition are as follows:

	2016 £
Turnover	161,752
Profit for the period	<u>(10,730)</u>

CARE CONCERN (LEEDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

23. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in Paragraph 33. 1A of FRS 102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Included under other debtors are amounts owed by companies which share common directors and shareholders with the group.

	2016 £
McKenzie Care homes Limited	689,844
McKenzie Care Limited	250,000
JTV Care Homes Limited	855,004

24. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.