

**ASHLEY GRANGE NURSING HOME LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**ASHLEY GRANGE NURSING HOME LIMITED**

**COMPANY INFORMATION**

**Directors**

J L Gavin (resigned 1 June 2022)  
S F Gavin (resigned 1 June 2022)  
A H Smith  
L M Mills (resigned 16 April 2021)  
K A Shaw (appointed 1 June 2022)  
E M Jones (appointed 1 June 2022)  
V L Heenan (appointed 1 June 2022)  
N J Barnes (appointed 1 June 2022)

**Registered number**

06531137

**Registered office**

2nd Floor, Clifton House,  
Bunnian Place  
England  
Basingstoke  
RG21 7JE

**Independent auditor**

James Cowper Kreston  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

**ASHLEY GRANGE NURSING HOME LIMITED**

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# **ASHLEY GRANGE NURSING HOME LIMITED**

## **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022**

### **Introduction**

The following report sets out the strategic view and associated risks for Ashley Grange Nursing Home Limited as at 31 March 2022.

### **Business review**

Turnover for the year from the company's nursing and residential care home decreased by 5.4% over the previous year to £2,494,307 (2021: £2,636,090).

Staff costs decreased by 1% and represented 68.5% of turnover during the year (2021: 65.4%). The operating profit as a percentage of turnover was 12.6% (2021: 11.8%).

### **Principal risks and uncertainties**

The following principal risks and uncertainties for the company have been identified:

#### **Regulatory environment**

The company's activities are subject to a high level of regulation and inspection by the Care Quality Commission. The risk from the negative effects of any non-compliance is the impact which it may have on the company's reputation and profits. Inspections of the company's care homes take place on a regular basis. The risks are mitigated by a strict management reporting regime that is part of a rigorous process of internal control over quality and compliance, along with evolving policies and practices that take into account changes in regulatory obligations.

#### **Competition**

Competition comes from the growing number of other care homes, including not-for-profit organisations, and domiciliary care providers. This is driven by the increasing size of the UK's elderly population and demographics which indicate that demand will continue to increase in the longer term. The risk of competition is mitigated by a tight focus on maintaining quality standards and adherence to the Group's core values of Care, Comfort and Companionship.

#### **Staffing**

The recruitment and retention of suitably qualified care staff is fundamental to running a successful business in the care sector. As widely publicised by the media, the competition for staff has become more challenging post Covid. In order to recognise everything staff did during the pandemic and acknowledge that as a result of Covid, they continue to have extra responsibilities, the company became a Real Living Wage Employer in April 2022. The Real Living Wage is an independently set minimum hourly rate of pay, which is based on what people require to meet every day needs. This is a positive way to thank our team and is also helping the company recruit and retain staff in a very competitive market with a particularly high number of job vacancies.

In addition, a series of initiatives have been implemented to support recruitment and retention underpinned by high quality training and a value based culture. Ashley Grange also continues to invest in new technology in its homes to improve the lives of both residents and staff.

#### **Financial risks**

The principal financial risk faced by the company is liquidity risk. However, the company is trading profitably and maintains a positive cash balance. In addition, regular cash flow forecasts are prepared which take into account the predictable operational revenue and cost streams.

**ASHLEY GRANGE NURSING HOME LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**Financial key performance indicators**

The key performance indicators for the company have been identified as follows:

	<b>2022</b>	<b>2021</b>	<b>Change</b>	
Turnover	£2,494,307	£2,636,090	-5.4%	
Occupancy	91.4%	97.9%		
Adjusted Operating profit	£314,156	£310,539	1.2%	
Adjusted operating profit % of turnover		12.6%	11.8%	
Staff cost as % of turnover	68.5%	65.4%		

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

**K A Shaw**  
Director

Date: 28 October 2022

# ASHLEY GRANGE NURSING HOME LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

### Principal activity

The principal activity of the company continued to be that of the operation of a residential care and nursing home.

### Results and dividends

The profit for the year, after taxation, amounted to £202,749 (2021 - £238,001).

During the year, dividends of £nil were paid (2021: £117,000).

### Directors

The directors who served during the year were:

J L Gavin (resigned 1 June 2022)

S F Gavin (resigned 1 June 2022)

A H Smith

L M Mills (resigned 16 April 2021)

### Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the directors' 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 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 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 for the Company'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 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 to 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.

### Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed 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 ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**ASHLEY GRANGE NURSING HOME LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**Auditor**

The auditor, James Cowper Kreston, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006. This report was approved by the board and signed on its behalf.

**K A Shaw**

Director

Date: 28 October 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHLEY GRANGE NURSING HOME LIMITED

**Opinion**

We have audited the financial statements of Ashley Grange Nursing Home Limited (the 'Company') for the year ended 31 March 2022, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHLEY GRANGE NURSING HOME LIMITED (CONTINUED)

**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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are 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 directors determine is 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 directors are responsible for assessing the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHLEY GRANGE NURSING HOME LIMITED (CONTINUED)

**Auditor's 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 an auditor's report 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

ASHLEY GRANGE NURSING HOME LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHLEY GRANGE NURSING HOME LIMITED (CONTINUED)

Alexander Peal BSc (Hons) FCA DChA (senior statutory auditor)

for and on behalf of

**James Cowper Kreston**

Chartered Accountants and Statutory Auditor

Reading Bridge House

George Street

Reading

Berkshire

RG1 8LS

3 November 2022

**ASHLEY GRANGE NURSING HOME LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
Turnover	4	<b>2,494,307</b>	2,636,090
Cost of sales		<b>(1,776,578)</b>	(1,714,359)
<b>Gross profit</b>		<b>717,729</b>	921,731
Administrative expenses		<b>(504,955)</b>	(721,093)
Other operating income	5	<b>101,382</b>	109,901
<b>Operating profit</b>	6	<b>314,156</b>	310,539
Interest payable and similar expenses	8	-	(16,711)
<b>Profit before tax</b>		<b>314,156</b>	293,828
Tax on profit	9	<b>(111,407)</b>	(55,827)
<b>Profit for the financial year</b>		<b>202,749</b>	238,001

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 12 to 21 form part of these financial statements.

**ASHLEY GRANGE NURSING HOME LIMITED**  
**REGISTERED NUMBER: 06531137**

**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	5,755,898	5,626,993
		<u>5,755,898</u>	<u>5,626,993</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	12	136,561	153,589
Cash at bank and in hand	13	23,648	178,876
		<u>160,209</u>	<u>332,465</u>
Creditors: amounts falling due within one year	14	(370,052)	(474,529)
<b>Net current liabilities</b>		<u>(209,843)</u>	<u>(142,064)</u>
<b>Total assets less current liabilities</b>		<u>5,546,055</u>	<u>5,484,929</u>
Creditors: amounts falling due after more than one year	15	(1,383,321)	(1,585,226)
<b>Provisions for liabilities</b>			
Deferred tax	16	(146,967)	(86,685)
		<u>(146,967)</u>	<u>(86,685)</u>
<b>Net assets</b>		<u><u>4,015,767</u></u>	<u><u>3,813,018</u></u>
<b>Capital and reserves</b>			
Called up share capital	17	2	2
Profit and loss account		4,015,765	3,813,016
		<u><u>4,015,767</u></u>	<u><u>3,813,018</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**K A Shaw**  
Director

Date: 28 October 2022

The notes on pages 12 to 21 form part of these financial statements.

**ASHLEY GRANGE NURSING HOME LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2021	2	3,813,016	3,813,018
Profit for the year	-	202,749	202,749
<b>At 31 March 2022</b>	<b>2</b>	<b>4,015,765</b>	<b>4,015,767</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 April 2020	2	1,629,084	3,692,015	5,321,101
Profit for the year	-	-	238,001	238,001
Revaluation of Freehold property	-	(1,629,084)	-	(1,629,084)
Dividend	-	-	(117,000)	(117,000)
<b>At 31 March 2021</b>	<b>2</b>	<b>-</b>	<b>3,813,016</b>	<b>3,813,018</b>

The notes on pages 12 to 21 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

**1. General information**

The Company is a private company limited by shares (registered number 06531137) and registered in England and Wales. The address of the registered office and principal place of business is 2nd Floor, Clifton House, Bunnian Place, Basingstoke, Hampshire, RG21 7JE.

The Company's principal activity during the year under review was that of operating a residential care home.

**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.

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

The following principal accounting policies have been applied:

**2.2 Financial Reporting Standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Hartford Care Group Limited as at 31 March 2021 and these financial statements may be obtained from the registrar of companies.

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

**2. Accounting policies (continued)**

**2.4 Finance costs**

Finance costs are charged to profit or loss 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.

**2.5 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.6 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 balance sheet date.

**2.7 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.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

**2. Accounting policies (continued)**

**2.7 Tangible fixed assets (continued)**

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	- Held at valuation
Plant and machinery	- 20% Straight line
Fixtures and fittings	- 33% Straight line
Computer equipment	- 50% Straight line

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 profit or loss.

**2.8 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.

**2.9 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.

**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 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company 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 profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet 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 balance sheet.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.12 Financial instruments

The Company only enters into basic financial instrument 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 ordinary shares.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets (see note 11)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Taxation (see note 9)

The company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 9.

4. Turnover

	2022 £	2021 £
United Kingdom	<u>2,494,307</u>	<u>2,636,090</u>

All turnover arose within the United Kingdom.

**ASHLEY GRANGE NURSING HOME LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**5. Other operating income**

	<b>2022</b>	2021
	<b>£</b>	£
Other operating income	<u><b>101,382</b></u>	<u>109,901</u>

**6. Operating profit**

The operating profit is stated after charging:

	<b>2022</b>	2021
	<b>£</b>	£
Fees payable to the company's auditor for the audit of the company's financial statements	<b>5,700</b>	5,780
Depreciation of owned tangible fixed assets	<b>80,719</b>	18,327
Other operating lease rentals	<u><b>12,256</b></u>	<u>10,678</u>

**7. Employees**

Staff costs were as follows:

	<b>2022</b>	2021
	<b>£</b>	£
Wages and salaries	<b>1,602,734</b>	1,652,147
Social security costs	<b>85,311</b>	45,413
Cost of defined contribution scheme	<b>19,488</b>	26,114
	<u><b>1,707,533</b></u>	<u>1,723,674</u>

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

	<b>2022</b>	2021
	<b>No.</b>	No.
Staff	<u><b>45</b></u>	<u>66</u>

**8. Interest payable and similar expenses**

	<b>2022</b>	2021
	<b>£</b>	£
Other loan interest payable	<u><b>-</b></u>	<u>16,711</u>

**ASHLEY GRANGE NURSING HOME LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**9. Taxation**

	<b>2022</b> £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	<b>28,151</b>	33,956
Adjustments in respect of previous periods	<b>22,974</b>	-
	<hr/> <b>51,125</b> <hr/>	<hr/> 33,956 <hr/>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>32,908</b>	21,871
Effect of tax rate change on opening balance	<b>27,374</b>	-
	<hr/> <b>60,282</b> <hr/>	<hr/> 21,871 <hr/>
<b>Taxation on profit on ordinary activities</b>	<hr/> <b>111,407</b> <hr/>	<hr/> 55,827 <hr/>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	<b>2022</b> £	2021 £
Profit on ordinary activities before tax	<hr/> <b>314,156</b> <hr/>	<hr/> 293,828 <hr/>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	<b>59,690</b>	33,597
<b>Effects of:</b>		
Fixed asset differences	<b>(6,530)</b>	-
Tax effect of expenses that are not deductible in determining taxable profit	-	22,230
Adjustments to tax charge in respect of previous periods	<b>22,974</b>	-
Remeasurement of deferred tax for changes	<b>35,273</b>	-
	<hr/> <b>111,407</b> <hr/>	<hr/> 55,827 <hr/>
<b>Total tax charge for the year</b>	<hr/> <b>111,407</b> <hr/>	<hr/> 55,827 <hr/>

**Factors that may affect future tax charges**

In the Spring Budget 2021, the Government announced that from 1 April 2023 the main corporation tax rate will increase to 25%. As a result of the rate change the corporation tax expense for the period has increased and the deferred tax liability has increased. The impact of these changes is not expected to be material.

**ASHLEY GRANGE NURSING HOME LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**10. Dividends**

	<b>2022 £</b>	2021 £
Dividends	<u><u>-</u></u>	<u><u>117,000</u></u>

**11. Tangible fixed assets**

	<b>Freehold property £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 April 2021	5,500,000	-	215,297	16,587	5,731,884
Additions	-	22,458	182,373	4,792	209,623
	<u>5,500,000</u>	<u>22,458</u>	<u>397,670</u>	<u>21,379</u>	<u>5,941,507</u>
At 31 March 2022					
	<u>5,500,000</u>	<u>22,458</u>	<u>397,670</u>	<u>21,379</u>	<u>5,941,507</u>
<b>Depreciation</b>					
At 1 April 2021	-	-	99,982	4,908	104,890
Charge for the year on owned assets	-	2,618	69,813	8,288	80,719
	<u>-</u>	<u>2,618</u>	<u>69,813</u>	<u>8,288</u>	<u>80,719</u>
At 31 March 2022	-	2,618	169,795	13,196	185,609
	<u>-</u>	<u>2,618</u>	<u>169,795</u>	<u>13,196</u>	<u>185,609</u>
<b>Net book value</b>					
At 31 March 2022	<u>5,500,000</u>	<u>19,840</u>	<u>227,875</u>	<u>8,183</u>	<u>5,755,898</u>
<b>At 31 March 2021</b>	<u>5,500,000</u>	<u>-</u>	<u>115,315</u>	<u>11,678</u>	<u>5,626,993</u>

Land and buildings with a carrying amount of £5,500,000 were revalued at an effective date of 2 October 2020 by independent valuers not connected with the company on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

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

	<b>2022 £</b>	2021 £
Freehold	<u><u>5,500,000</u></u>	<u><u>5,500,000</u></u>

**ASHLEY GRANGE NURSING HOME LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**12. Debtors**

	<b>2022</b>	2021
	<b>£</b>	£
Trade debtors	<b>76,620</b>	119,519
Other debtors	-	920
Prepayments and accrued income	<b>36,967</b>	33,150
Tax recoverable	<b>22,974</b>	-
	<u><b>136,561</b></u>	<u>153,589</u>

**13. Cash and cash equivalents**

	<b>2022</b>	2021
	<b>£</b>	£
Cash at bank and in hand	<u><b>23,648</b></u>	<u>178,876</u>

**14. Creditors: Amounts falling due within one year**

	<b>2022</b>	2021
	<b>£</b>	£
Trade creditors	<b>105,235</b>	137,838
Corporation tax	<b>57,057</b>	39,887
Other creditors	<b>3,982</b>	42,910
Accruals and deferred income	<b>203,778</b>	253,894
	<u><b>370,052</b></u>	<u>474,529</u>

**15. Creditors: Amounts falling due after more than one year**

	<b>2022</b>	2021
	<b>£</b>	£
Amounts owed to group undertakings	<u><b>1,383,321</b></u>	<u>1,585,226</u>

**ASHLEY GRANGE NURSING HOME LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**16. Deferred taxation**

	2022 £	2021 £
At beginning of year	(86,685)	(64,814)
Charged to profit or loss	(60,282)	(21,871)
<b>At end of year</b>	<b>(146,967)</b>	<b>(86,685)</b>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(147,401)	(86,776)
Short term timing differences	434	91
	<b>(146,967)</b>	<b>(86,685)</b>

**17. Share capital**

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
2 (2021 - 2) Ordinary shares of £1.00 each	<b>2</b>	<b>2</b>

**18. Pension commitments**

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Charge to profit or loss in respect of defined contribution schemes is £19,488 (2021: £26,114).

**19. Commitments under operating leases**

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	10,011	12,256
Later than 1 year and not later than 5 years	40,043	38,836
Later than 5 years	2,503	12,136
	<b>52,557</b>	<b>63,228</b>

**ASHLEY GRANGE NURSING HOME LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**20. Related party transactions**

The company has taken advantage of the exemption available to it under FRS 102 not to disclose transactions with other group companies where all members are 100% owned by the group on the grounds that consolidated financial statements are prepared by the ultimate parent company.

**21. Controlling party**

The ultimate parent Company and the smallest and largest group in which the Company's results are consolidated is Hartford Care Group Limited, a Company incorporated in England and Wales. The consolidated accounts of Hartford Care Group Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

There is no one ultimate controlling party.



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