

Company Registration No. 06904173 (England and Wales)

HADRIAN HEALTHCARE (WETHERBY) LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2017**

SATURDAY



A6LVDNU0

A16

23/12/2017

#406

COMPANIES HOUSE

HADRIAN HEALTHCARE (WETHERBY) LIMITED

COMPANY INFORMATION

Director	I Watson
Secretary	J Gill
Company number	06904173
Registered office	Hadrian Offices 3 Keel Row The Watermark Gateshead Tyne and Wear NE11 9SZ
Auditor	RSM UK Audit LLP Chartered Accountants 1 St. James Gate Newcastle upon Tyne NE1 4AD

HADRIAN HEALTHCARE (WETHERBY) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The director presents the strategic report for the year ended 31 March 2017.

Hadrian Healthcare (Wetherby) Ltd is a family owned care home operator based in the North of England which specialises in the development and operation of high quality luxury care homes. The company currently operates a single luxury care home which opened in March 2013; Wetherby Manor, in Wetherby. The company's aim is to be the premier provider of care services in the region(s) it operates within.

Performance

For the year ended 31 March 2017, turnover was £3,525,757, an increase of 8% on the previous trading year (£3,255,530 in 2016). This increase was due to excellent occupancy rates and increases in average fee rates.

Staffing costs for the year increased by 8% from £1,325,759 to £1,438,487. Whilst all staff members at the home are paid above the national living wage rate, the cost increase is reflective of the percentage increase in the minimum wage rise that was applied in April 2016. The company is committed to developing and retaining its highly skilled staffing group and aims to reward employees appropriately through its annual pay increases.

Gross profit increased by 9% from £1,738,175 to £1,900,889.

A CQC inspection was carried out during the year which rated the home 'Good' on all performance outcomes.

Risk management

The Directors continually analyse key risks to the business by monitoring Key Performance Indicators across several categories of risk:

Reputational Risk

The company aims to maintain its reputation as the premier provider of residential and nursing care in the area.

The company ensures it follows all Care Quality Commission (CQC) regulations, including local authority & clinical commissioning group contractual requirements, with senior Operations team members attending appropriate courses & conferences to make sure the company is always fully up to date with any anticipated updates or changes.

Health & Safety

Maintaining the safety of staff, residents, visitors and any other outside professionals/contractors is critical to the company. The Group has a dedicated Health & Safety Manager who oversees the monitoring and compliance of all Health & Safety issues. All company staff members are given the necessary training and equipment to ensure they carry out their duties accordingly to maintain and promote safety at all times.

Financial Risks

Whilst Local Authority fee levels increased in 2016/17, they are expected to remain relatively flat in the near future. Lack of growth in fee levels represents a financial risk to the company. The company is well-structured and positioned to accommodate this, having a low level of reliance on Local Authority funded placements.

The company has a robust and well organised procurement process for food, utilities and service contracts to ensure goods/services are provided at the best possible rates.

The table below sets out the financial KPIs of the company:

	2016/17	2015/16
Turnover	£3,525,757	£3,255,530
Staffing Costs	£1,438,487	£1,325,759
Gross Profit	£1,900,889	£1,738,175

The company continues to achieve good growth in turnover, supported by occupancy levels averaging over 95% in each of 2016/17 and 2015/16 and increases in average fee rates.

HADRIAN HEALTHCARE (WETHERBY) LIMITED

STRATEGIC REPORT (CONTINUED)


FOR THE YEAR ENDED 31 MARCH 2017

Future prospects

The Directors are extremely pleased with the performance of the company for the year ended 31 March 2017 and expect continued growth in revenue and profitability in the coming year.

The company is committed to continue a programme of substantial investment in staff training and development in order to deliver the highest standard of care that is thoughtfully tailored to individual needs. The company is further committed to maintaining the quality of care as its key differentiator within environments which are both luxurious and homely.

On behalf of the board


.....
I Watson
Director
21/12/17
.....

HADRIAN HEALTHCARE (WETHERBY) LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The director presents his annual report and financial statements for the year ended 31 March 2017.

Principal activities

The principal activity of the company during the year was the operation of a care home.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

I Watson

Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Future developments

Details of the group's performance, strategy and future developments are given within the Strategic Report on page 1.

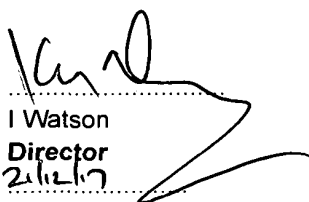
Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board


I Watson
Director
21.12.17

HADRIAN HEALTHCARE (WETHERBY) LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

The director is responsible for preparing the Strategic Report and the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's 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. He is 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 MEMBERS OF HADRIAN HEALTHCARE (WETHERBY) LIMITED

Opinion on financial statements

We have audited the financial statements on pages 6 to 17. 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 FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements and, based on the work undertaken in the course of our audit, the Strategic Report and the Director's 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 Director's Report.

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.

Respective responsibilities of director and auditor

As more fully explained in the Director's Responsibilities Statement set out on page 4, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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.



Steven Cleugh FCCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
1 St. James Gate
Newcastle upon Tyne
NE1 4AD
22/12/17

HADRIAN HEALTHCARE (WETHERBY) LIMITED

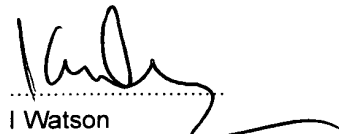
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

		2017 £	2016 £
	Notes		
Turnover	3	3,525,757	3,255,530
Cost of sales		(1,624,868)	(1,517,355)
Gross profit		1,900,889	1,738,175
Administrative expenses		(651,056)	(935,404)
Operating profit	5	1,249,833	802,771
Interest payable and similar expenses	6	(98,446)	(102,920)
Profit before taxation		1,151,387	699,851
Taxation	7	(207,992)	(94,833)
Profit for the financial year	17	943,395	605,018

HADRIAN HEALTHCARE (WETHERBY) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2017**

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	8	6,710,079		6,757,483	
Current assets					
Debtors	9	71,512		66,086	
Cash at bank and in hand		115,730		670	
		187,242		66,756	
Creditors: amounts falling due within one year	10	(496,318)		(316,889)	
Net current liabilities		(309,076)		(250,133)	
Total assets less current liabilities		6,401,003		6,507,350	
Creditors: amounts falling due after more than one year	11	(4,326,923)		(5,384,657)	
Provisions for liabilities	13	(256,377)		(248,385)	
Net assets		1,817,703		874,308	
Capital and reserves					
Called up share capital	16	1		1	
Profit and loss reserves	17	1,817,702		874,307	
Total equity		1,817,703		874,308	

The financial statements were approved and signed by the director and authorised for issue on 21/2/17


 I Watson
 Director

HADRIAN HEALTHCARE (WETHERBY) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2015	1	269,289	269,290
Year ended 31 March 2016:			
Profit and total comprehensive income for the year	-	605,018	605,018
Balance at 31 March 2016	1	874,307	874,308
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	943,395	943,395
Balance at 31 March 2017	1	1,817,702	1,817,703

HADRIAN HEALTHCARE (WETHERBY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Hadrian Healthcare (Wetherby) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Hadrian Offices, 3 Keel Row, The Watermark, Gateshead, Tyne and Wear, NE11 9SZ.

The company's principal activities and nature of its operations are disclosed in the Director's Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosures

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Hadrian Healthcare Holdings Limited. These consolidated financial statements are available from its registered office, Hadrian Offices, 3 Keel Row, The Watermark, Gateshead, Tyne and Wear, NE11 9SZ.

Going concern

The company has net current liabilities and meets its day-to-day working capital requirements through the continued support of the company's director and the group to which it belongs, together with the support of the company's bankers. The financial statements have been prepared on the going concern basis which assumes that this support will continue.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The turnover is derived entirely from the company's principal activities carried out in the United Kingdom.

Revenue is recognised as residents of the company's care homes occupy rooms and use services provided to them.

HADRIAN HEALTHCARE (WETHERBY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	Not depreciated
Fixtures, fittings and equipment	15% reducing balance

The company's freehold property is maintained by a program of repair and refurbishment such that the residual value is deemed to be at least equal to book value. Having regard to this, it is the opinion of the directors that depreciation as required by the Companies Act 2006 and accounting standards would not be material.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

HADRIAN HEALTHCARE (WETHERBY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

HADRIAN HEALTHCARE (WETHERBY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017	2016
	£	£
Turnover analysed by class of business		
Residential care home services	3,525,757	3,255,530
	<u> </u>	<u> </u>

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017	2016
	Number	Number
Operational	79	80
	<u> </u>	<u> </u>

HADRIAN HEALTHCARE (WETHERBY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

4 Employees (Continued)

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	1,338,491	1,235,981
Social security costs	98,758	83,802
Pension costs	1,238	5,976
	<u>1,438,487</u>	<u>1,325,759</u>

5 Operating profit

	2017 £	2016 £
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	2,000	3,500
Depreciation of owned tangible fixed assets	<u>91,266</u>	<u>101,572</u>

6 Interest payable and similar expenses

	2017 £	2016 £
Interest on bank overdrafts and loans	<u>98,446</u>	<u>102,920</u>

7 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	200,000	31,721
Adjustments in respect of prior periods	-	(26)
Total current tax	<u>200,000</u>	<u>31,695</u>
Deferred tax		
Origination and reversal of timing differences	<u>7,992</u>	<u>63,138</u>
Total tax charge	<u>207,992</u>	<u>94,833</u>

HADRIAN HEALTHCARE (WETHERBY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

7 Taxation (Continued)

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	1,151,387	699,851
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	230,277	139,970
Tax effect of expenses that are not deductible in determining taxable profit	1,975	807
Adjustments in respect of prior years	26	(25)
Effect of change in corporation tax rate	(17,645)	-
Group relief	(6,641)	(18,321)
Permanent capital allowances in excess of depreciation	-	(27,598)
Taxation for the year	207,992	94,833

8 Tangible fixed assets

	Freehold property £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 April 2016	6,171,942	919,132	7,091,074
Additions	-	43,862	43,862
At 31 March 2017	6,171,942	962,994	7,134,936
Depreciation and impairment			
At 1 April 2016	-	333,591	333,591
Depreciation charged in the year	-	91,266	91,266
At 31 March 2017	-	424,857	424,857
Carrying amount			
At 31 March 2017	6,171,942	538,137	6,710,079
At 31 March 2016	6,171,942	585,541	6,757,483

HADRIAN HEALTHCARE (WETHERBY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

9 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	52,788	51,239
Other debtors	1,708	1,548
Prepayments and accrued income	17,016	13,299
	<u>71,512</u>	<u>66,086</u>

10 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	12	-	79,743
Trade creditors		126,014	101,024
Corporation tax		200,000	31,721
Other taxation and social security		24,940	18,416
Other creditors		42,985	1,727
Accruals and deferred income		102,379	84,258
		<u>496,318</u>	<u>316,889</u>

11 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	12	4,000,000	4,000,000
Other borrowings	12	326,923	1,384,657
		<u>4,326,923</u>	<u>5,384,657</u>

12 Borrowings

	2017 £	2016 £
Bank loans	4,000,000	4,000,000
Bank overdrafts	-	79,743
Loans from group undertakings	326,923	1,384,657
	<u>4,326,923</u>	<u>5,464,400</u>
Payable within one year	-	79,743
Payable after one year	<u>4,326,923</u>	<u>5,384,657</u>

HADRIAN HEALTHCARE (WETHERBY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

12 Borrowings (Continued)

The bank loan is secured by fixed and floating charges on the assets of the company and other group assets, supported by an unlimited cross guarantee.

The bank loan incurs interest at LIBOR plus 2%, accrued daily and payable in quarterly instalments. The capital element of the loan is repayable in full on its maturity date.

13 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	14	256,377	248,385
		<u>256,377</u>	<u>248,385</u>

14 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
Accelerated capital allowances	256,419	248,385
Other short term timing differences	(42)	-
	<u>256,377</u>	<u>248,385</u>
Movements in the year:		2017 £
Liability at 1 April 2016		248,385
Charge to profit or loss		7,992
Liability at 31 March 2017		<u>256,377</u>

HADRIAN HEALTHCARE (WETHERBY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

15 Retirement benefit schemes

	2017	2016
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	1,238	5,976

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.

16 Share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
1 Ordinary share of £1 each	1	1

The company's ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

17 Reserves

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

18 Financial commitments, guarantees and contingent liabilities

The company is subject to an unlimited cross guarantee with its parent, Hadrian Healthcare Holdings Limited, and fellow subsidiary companies Hadrian Healthcare (Durham) Limited, Hadrian Healthcare (Gosforth) Limited, Hadrian Healthcare (Whickham) Limited, Hadrian Healthcare (Knaresborough) Limited and Hadrian Healthcare (Oulton) Limited. The total bank borrowings of these companies at the balance sheet date was £22,260,000 (2016: £22,260,000).

19 Controlling party

As a result of a group reconstruction during the year the company's immediate and ultimate parent is Hadrian Healthcare Holdings Limited, which heads the smallest and largest group for which consolidated accounts are prepared. Its registered office is Hadrian Offices, 3 Keel Road, The Watermark, Gateshead, Tyne and Wear, NE11 9SZ.

The ultimate controlling party is I Watson, by virtue of him controlling 90% of the share capital of Hadrian Healthcare Holdings Limited, the ultimate parent company.