

**Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 30 September 2017**
for
Louth Care Limited



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Louth Care Limited

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Louth Care Limited
Company Information
for the Year Ended 30 September 2017

DIRECTORS:

M N Bullas
S C Bullas

SECRETARY:

Business Action Limited

REGISTERED OFFICE:

Suite 4
164-170 Queens Road
Sheffield
South Yorkshire
S2 4DH

REGISTERED NUMBER:

07391203 (England and Wales)

SENIOR STATUTORY AUDITOR: Scott Sanderson

AUDITORS:

Hawsons Chartered Accountants
Pegasus House
463A Glossop Road
Sheffield
South Yorkshire
S10 2QD

Louth Care Limited

**Group Strategic Report
for the Year Ended 30 September 2017**

The directors present their strategic report of the company and the group for the year ended 30 September 2017.

REVIEW OF BUSINESS

The group operates two care homes in Lincolnshire and North Yorkshire. Both turnover and profit have increased during the year due to increased occupancy levels. The Directors are satisfied with the results for the year.

The key performance indicators are turnover and net profit before tax.

	2017	2016
	£	£
Turnover	5,151,425	3,728,255
Net profit before tax	1,160,165	509,651

The group continues to monitor the key performance indicators to help achieve its short, medium and long term objectives.

PRINCIPAL RISKS AND UNCERTAINTIES

The ongoing principal risks and uncertainties to the continued performance of the homes is reputational with the registering and local authorities. In addition continued increasing costs such as minimum wage, auto enrolment and utilities etc may impact upon the ongoing performance of the group.

The group prepares budget forecasts and reviews these as far as possible to manage such costs that are outside of their control.

ON BEHALF OF THE BOARD:



.....
M N Bullas - Director

Date: 21-11-2018

Louth Care Limited

Report of the Directors for the Year Ended 30 September 2017

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2017.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the provision of residential, dementia and nursing care for the elderly.

DIVIDENDS

An interim dividend of £30.10 per share on the Ordinary £0.01 shares was paid on 31 October 2016. The directors recommend that no final dividend be paid on these shares.

No interim dividend was paid on the A Ordinary £0.01 shares. The directors recommend that no final dividend be paid on these shares.

The total distribution of dividends for the year ended 30 September 2017 will be £60,200.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2016 to the date of this report.

M N Bullas
S C Bullas

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each director of the company, who held office at the date of the approval of this Annual Report as set out above, confirm that:

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Louth Care Limited

**Report of the Directors
for the Year Ended 30 September 2017**

AUDITORS

The auditors, Hawsons Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
M N Bullas - Director

Date: 21-11-2018.
.....

**Report of the Independent Auditors to the Members of
Louth Care Limited**

Qualified opinion on the financial statements

We have audited the financial statements of Louth Care Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2017 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Consolidated Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, 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 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.

Basis for qualified opinion on the financial statements

With respect to the corresponding figures and the opening balances in the financial statements, the audit evidence available to us was limited because the company opted for the exemption from audit for the year ending 30 September 2016 and the amounts were therefore unaudited. Consequently, we were unable to obtain sufficient evidence regarding the corresponding figures and the opening balances.

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

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Louth Care Limited**

Matters on which we are required to report by exception

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

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 group or the parent company, 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 three, 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 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Other Matters

The corresponding figures for the year ended 30 September 2016 are unaudited.

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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Scott Sanderson (Senior Statutory Auditor)
for and on behalf of Hawsons Chartered Accountants
Pegasus House
463A Glossop Road
Sheffield
South Yorkshire
S10 2QD

Date: 21/11/2018

Louth Care Limited

**Consolidated Income Statement
for the Year Ended 30 September 2017**

		30.9.17	30.9.16 as restated
	Notes	£	£
TURNOVER		5,151,425	3,728,255
Cost of sales		154,645	127,288
GROSS PROFIT		4,996,780	3,600,967
Administrative expenses		3,653,925	2,892,058
OPERATING PROFIT	4	1,342,855	708,909
Amounts written off investments	5	1	-
		1,342,854	708,909
Interest payable and similar expenses	6	182,689	199,258
PROFIT BEFORE TAXATION		1,160,165	509,651
Tax on profit	7	225,942	263,951
PROFIT FOR THE FINANCIAL YEAR		934,223	245,700
Profit attributable to: Owners of the parent		934,223	245,700

The notes form part of these financial statements

Louth Care Limited

**Consolidated Other Comprehensive Income
for the Year Ended 30 September 2017**

	30.9.17	30.9.16 as restated
Notes	£	£
PROFIT FOR THE YEAR	934,223	245,700
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>934,223</u>	<u>245,700</u>
Total comprehensive income attributable to: Owners of the parent	<u>934,223</u>	<u>245,700</u>

The notes form part of these financial statements

Louth Care Limited (Registered number: 07391203)

**Consolidated Balance Sheet
30 September 2017**

		30.9.17		30.9.16 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	11		12,930,021		13,130,758
Investments	12		-		1
			<u>12,930,021</u>		<u>13,130,759</u>
CURRENT ASSETS					
Debtors	13	1,963,028		512,917	
Cash at bank and in hand		441,499		412,130	
		<u>2,404,527</u>		<u>925,047</u>	
CREDITORS					
Amounts falling due within one year	14	5,582,311		12,125,491	
NET CURRENT LIABILITIES			<u>(3,177,784)</u>		<u>(11,200,444)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			9,752,237		1,930,315
CREDITORS					
Amounts falling due after more than one year	15		(6,936,919)		-
PROVISIONS FOR LIABILITIES	18		<u>(93,897)</u>		<u>(82,917)</u>
NET ASSETS			<u><u>2,721,421</u></u>		<u><u>1,847,398</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		21		21
Revaluation reserve	20		1,598,480		1,598,480
Retained earnings	20		1,122,920		248,897
SHAREHOLDERS' FUNDS			<u><u>2,721,421</u></u>		<u><u>1,847,398</u></u>

The financial statements were approved by the Board of Directors on 21-11-2018 and were signed on its behalf by:



.....
M N Bullas - Director

The notes form part of these financial statements

Company Balance Sheet
30 September 2017

		30.9.17		30.9.16 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	11		6,445,406		6,580,997
Investments	12		10		11
			<u>6,445,416</u>		<u>6,581,008</u>
CURRENT ASSETS					
Debtors	13	5,700,073		1,633,171	
Cash at bank and in hand		<u>53,562</u>		<u>239,469</u>	
		5,753,635		1,872,640	
CREDITORS					
Amounts falling due within one year	14	<u>2,667,440</u>		<u>6,092,622</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>3,086,195</u>		<u>(4,219,982)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,531,611</u>		<u>2,361,026</u>
CREDITORS					
Amounts falling due after more than one year	15		(6,936,919)		-
PROVISIONS FOR LIABILITIES	18		<u>(17,465)</u>		<u>(16,964)</u>
NET ASSETS			<u><u>2,577,227</u></u>		<u><u>2,344,062</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		21		21
Revaluation reserve	20		1,598,480		1,598,480
Retained earnings	20		<u>978,726</u>		<u>745,561</u>
SHAREHOLDERS' FUNDS			<u><u>2,577,227</u></u>		<u><u>2,344,062</u></u>
 Company's profit for the financial year			 <u><u>293,365</u></u>		 <u><u>384,057</u></u>

The financial statements were approved by the Board of Directors on 21-11-2018 and were signed on its behalf by:



 M N Bullas - Director

The notes form part of these financial statements

Louth Care Limited

**Consolidated Statement of Changes in Equity
for the Year Ended 30 September 2017**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 October 2015	21	3,197	1,598,480	1,601,698
Changes in equity				
Total comprehensive income	-	245,700	-	245,700
Balance at 30 September 2016	21	248,897	1,598,480	1,847,398
Changes in equity				
Dividends	-	(60,200)	-	(60,200)
Total comprehensive income	-	934,223	-	934,223
Balance at 30 September 2017	21	1,122,920	1,598,480	2,721,421

The notes form part of these financial statements

Louth Care Limited

**Company Statement of Changes in Equity
for the Year Ended 30 September 2017**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 October 2015	21	361,504	1,598,480	1,960,005
Changes in equity				
Total comprehensive income	-	384,057	-	384,057
Balance at 30 September 2016	21	745,561	1,598,480	2,344,062
Changes in equity				
Dividends	-	(60,200)	-	(60,200)
Total comprehensive income	-	293,365	-	293,365
Balance at 30 September 2017	21	978,726	1,598,480	2,577,227

The notes form part of these financial statements

Louth Care Limited

**Consolidated Cash Flow Statement
for the Year Ended 30 September 2017**

		30.9.17	30.9.16 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	36,340	2,923,712
Interest paid		(182,689)	(199,258)
Tax paid		(212,753)	-
Net cash from operating activities		<u>(359,102)</u>	<u>2,724,454</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(153,514)	(528,393)
Sale of fixed asset investments		1	-
Net cash from investing activities		<u>(153,513)</u>	<u>(528,393)</u>
Cash flows from financing activities			
New loans in year		7,222,000	-
Loan repayments in year		(5,783,926)	(1,870,716)
Amount introduced by directors		60,200	-
Amount withdrawn by directors		(896,090)	(104,841)
Equity dividends paid		(60,200)	-
Net cash from financing activities		<u>541,984</u>	<u>(1,975,557)</u>
Increase in cash and cash equivalents		<u>29,369</u>	<u>220,504</u>
Cash and cash equivalents at beginning of year	2	412,124	191,620
Cash and cash equivalents at end of year	2	<u><u>441,493</u></u>	<u><u>412,124</u></u>

The notes form part of these financial statements

Louth Care Limited

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 September 2017**

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

	30.9.17	30.9.16 as restated
	£	£
Profit before taxation	1,160,165	509,651
Depreciation charges	354,251	342,105
Finance costs	182,689	199,258
	<u>1,697,105</u>	<u>1,051,014</u>
Increase in trade and other debtors	(1,450,111)	(348,984)
(Decrease)/increase in trade and other creditors	<u>(210,654)</u>	<u>2,221,682</u>
Cash generated from operations	<u><u>36,340</u></u>	<u><u>2,923,712</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 September 2017

	30.9.17	1.10.16
	£	£
Cash and cash equivalents	441,499	412,130
Bank overdrafts	(6)	(6)
	<u><u>441,493</u></u>	<u><u>412,124</u></u>

Year ended 30 September 2016

	30.9.16 as restated	1.10.15
	£	£
Cash and cash equivalents	412,130	191,620
Bank overdrafts	(6)	-
	<u><u>412,124</u></u>	<u><u>191,620</u></u>

The notes form part of these financial statements

Louth Care Limited

Notes to the Consolidated Financial Statements for the Year Ended 30 September 2017

1. STATUTORY INFORMATION

Louth Care Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 issued by the Financial Reporting Council.

The last financial statements, for the year ended 30 September 2016, were prepared under previous UK GAAP. The transition date to FRS 102 is therefore 1 October 2015.

Property, plant and equipment

On transition to FRS 102 the option has been taken to elect to use the previous revaluation of the property under UK GAAP as the deemed cost in accordance with section 35.10 (d). Freehold property will now be held under the cost model.

Adopting FRS 102 has resulted in the changes noted on pages 26 to 30.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the parent company and its subsidiary undertakings drawn up to 30 September 2017. Internal sales and profits are eliminated on consolidation.

Holgate Park York Limited, a dormant subsidiary, was dissolved on 21 November 2017. As a result it was not consolidated in the group accounts including comparatives.

Changes in accounting policies

Freehold Property

In previous years freehold property has been held at cost and not depreciated. In the current financial year the depreciation policy has been revised to 2% straight line to comply with current legislation. Consequently, the company has adjusted all comparative amounts presented in the financial statements affected by the change in accounting policy for prior periods. The effect of these changes is recorded in note 10.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's and parent company's activities. Turnover is shown net of rebates and discounts. Revenue is recognised as receivable to cover the period of services provided.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 33% on reducing balance

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Louth Care Limited

Notes to the Consolidated Financial Statements - continued for the Year Ended 30 September 2017

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

3. EMPLOYEES AND DIRECTORS

	30.9.17	30.9.16 as restated
	£	£
Wages and salaries	2,436,196	1,861,600
Social security costs	151,090	103,355
Other pension costs	918	-
	<u>2,588,204</u>	<u>1,964,955</u>

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

	30.9.17	30.9.16 as restated
Employees	<u>160</u>	<u>125</u>

Louth Care Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017**

3. EMPLOYEES AND DIRECTORS - continued

	30.9.17	30.9.16 as restated
	£	£
Directors' remuneration	-	-
	<u> </u>	<u> </u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	30.9.17	30.9.16 as restated
	£	£
Hire of plant and machinery	13,280	1,679
Depreciation - owned assets	354,251	342,105
Auditors' remuneration	22,800	-
	<u> </u>	<u> </u>

5. AMOUNTS WRITTEN OFF INVESTMENTS

	30.9.17	30.9.16 as restated
	£	£
Amounts written off fixed asset investments	1	-
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.9.17	30.9.16 as restated
	£	£
Bank loan interest	182,689	199,258
	<u> </u>	<u> </u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	30.9.17	30.9.16 as restated
	£	£
Current tax:		
UK corporation tax	214,962	203,273
Deferred tax	10,980	60,678
	<u> </u>	<u> </u>
Tax on profit	225,942	263,951
	<u> </u>	<u> </u>

Louth Care Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017**

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	30.9.17	30.9.16 as restated
	£	£
Profit before tax	<u>1,160,165</u>	<u>509,651</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.500% (2016 - 20%)	226,232	101,930
Effects of:		
Expenses not deductible for tax purposes	2,056	-
Depreciation in excess of capital allowances	38,720	5,119
Utilisation of tax losses	-	(10,245)
Adjustments to tax charge in respect of previous periods	(52,033)	106,469
Rounding difference due to change in tax rates	(13)	-
Deferred tax	<u>10,980</u>	<u>60,678</u>
Total tax charge	<u>225,942</u>	<u>263,951</u>

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. DIVIDENDS

	30.9.17	30.9.16 as restated
	£	£
Ordinary shares of £0.01 each		
Interim	<u>60,200</u>	<u>-</u>

Louth Care Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017**

10. PRIOR YEAR ADJUSTMENT

Deferred income

The parent company has included a provision for deferred income which was not previously included in the accounts. Comparative amounts have been restated to include the provision for 2016. The effect of this is to reduce income and increase creditors by £121,340.

Inter-company balances

In previous years inter-company balances have been netted off on the Balance Sheet. However for the purpose of the current year the balances have been separately included in debtors and creditors. This has had no impact on profit or reserves. However, comparative amounts have been restated for 2016 and consequently there has been an increase in debtors and an increase in creditors of £1,439,740 for this period.

Change in accounting policy for depreciation on freehold property (see note 2)

Group

The reinstated amounts are as follows:

	2017£	2016£	2015£	2014£	2013£
Balance sheet as at 30 September 2017					
NBV of freehold property	12,438,623	12,704,131	12,489,600	6,688,275	6,738,750
Income Statement for the year ended 30 September 2017					
Depreciation charge for the year:	265,508	265,508	157,792	136,725	11,250

Company

The reinstated amounts are as follows:

	2017£	2016£	2015£	2014£	2013£
Balance sheet as at 30 September 2017					
NBV of freehold property	6,345,968	6,484,137	6,622,306	6,688,275	6,738,750
Income Statement for the year ended 30 September 2017					
Depreciation charge for the year:	138,169	138,169	138,169	136,725	11,250

Louth Care Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017**

11. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 October 2016	13,275,406	1,659	579,380	8,944	13,865,389
Additions	-	120	147,973	5,421	153,514
At 30 September 2017	13,275,406	1,779	727,353	14,365	14,018,903
DEPRECIATION					
At 1 October 2016	571,275	385	158,170	4,801	734,631
Charge for year	265,508	210	85,377	3,156	354,251
At 30 September 2017	836,783	595	243,547	7,957	1,088,882
NET BOOK VALUE					
At 30 September 2017	12,438,623	1,184	483,806	6,408	12,930,021
At 30 September 2016	12,704,131	1,274	421,210	4,143	13,130,758

Company

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST OR VALUATION					
At 1 October 2016	6,908,450	495	136,666	1,145	7,046,756
Additions	-	120	17,044	3,859	21,023
At 30 September 2017	6,908,450	615	153,710	5,004	7,067,779
DEPRECIATION					
At 1 October 2016	424,313	191	40,487	768	465,759
Charge for year	138,169	64	16,983	1,398	156,614
At 30 September 2017	562,482	255	57,470	2,166	622,373
NET BOOK VALUE					
At 30 September 2017	6,345,968	360	96,240	2,838	6,445,406
At 30 September 2016	6,484,137	304	96,179	377	6,580,997

Cost or valuation at 30 September 2017 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
Valuation in 2013	1,598,480	-	-	-	1,598,480
Cost	5,309,970	615	153,710	5,004	5,469,299
	6,908,450	615	153,710	5,004	7,067,779

Louth Care Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017**

11. TANGIBLE FIXED ASSETS - continued

Company

If freehold property had not been revalued it would have been included at the following historical cost:

	30.9.17	30.9.16 as restated
	£	£
Cost	5,309,970	5,309,970
	<u>5,309,970</u>	<u>5,309,970</u>
Value of land in freehold land and buildings	5,309,970	5,309,970
	<u>5,309,970</u>	<u>5,309,970</u>

Freehold property was valued on an open market basis on 30 August 2013 by Edward Symmons.

12. FIXED ASSET INVESTMENTS

Group

	Shares in group undertakings £
COST	
At 1 October 2016	1
Disposals	(1)
	<u>-</u>
At 30 September 2017	-
	<u>-</u>
NET BOOK VALUE	
At 30 September 2017	-
	<u>-</u>
At 30 September 2016	1
	<u>1</u>

Company

	Shares in group undertakings £
COST	
At 1 October 2016	11
Disposals	(1)
	<u>10</u>
At 30 September 2017	10
	<u>10</u>
NET BOOK VALUE	
At 30 September 2017	10
	<u>10</u>
At 30 September 2016	11
	<u>11</u>

Louth Care Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017**

12. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Ripon Care Limited

Registered office:

Nature of business: Nursing Home

	%		
Class of shares:	holding		
Ordinary	100.00	30.9.17	30.9.16
		£	£
Aggregate capital and reserves		144,206	(496,656)
Profit/(loss) for the year		<u>640,862</u>	<u>(138,359)</u>

Holgate Park York Limited

Dissolved on 21 November 2017. The disposal of the fixed asset investment relates to Holgate Park York Limited.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.9.17	30.9.16 as restated	30.9.17	30.9.16 as restated
	£	£	£	£
Trade debtors	282,178	267,003	153,148	160,371
Other debtors	10,741	7,633	4,598	4,868
Loan Account - Ontrack Builders Ltd	1,167,937	160,524	1,167,937	160,524
Loan Account - BCD Care Ltd	435,212	9,474	339,886	9,474
Loan Account - Ripon Care Ltd	-	-	4,013,074	1,264,831
Loan Account - London Clapham Investments And Developments Ltd	16,275	16,275	1,275	1,275
Loan Account - Stourport On Severn Care Ltd	3,635	3,635	3,635	3,635
Prepayments	47,050	48,373	16,520	28,193
	<u>1,963,028</u>	<u>512,917</u>	<u>5,700,073</u>	<u>1,633,171</u>

Louth Care Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.9.17	30.9.16 as restated	30.9.17	30.9.16 as restated
	£	£	£	£
Bank loans and overdrafts (see note 16)	285,087	5,783,932	285,087	3,133,932
Trade creditors	710,605	731,869	55,788	61,088
Tax	214,962	212,753	74,252	173,601
Social security and other taxes	46,859	36,463	21,075	18,882
Other creditors	2,250	283	2,212	283
Loan Account - Ontrack Builders Ltd	93,534	93,534	-	-
Loan Account - BCD Care Ltd	-	373,124	-	-
Loan Account - Holgate Park York Ltd	-	250	-	250
Directors' current accounts	3,744,064	4,579,954	1,969,497	2,542,734
Deferred income	264,172	240,063	124,704	121,340
Accrued expenses	220,778	73,266	134,825	40,512
	<u>5,582,311</u>	<u>12,125,491</u>	<u>2,667,440</u>	<u>6,092,622</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	30.9.17	30.9.16 as restated	30.9.17	30.9.16 as restated
	£	£	£	£
Bank loans (see note 16)	<u>6,936,919</u>	<u>-</u>	<u>6,936,919</u>	<u>-</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	30.9.17	30.9.16 as restated	30.9.17	30.9.16 as restated
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	6	6	6	6
Bank loans	<u>285,081</u>	<u>5,783,926</u>	<u>285,081</u>	<u>3,133,926</u>
	<u>285,087</u>	<u>5,783,932</u>	<u>285,087</u>	<u>3,133,932</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>380,108</u>	<u>-</u>	<u>380,108</u>	<u>-</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>6,556,811</u>	<u>-</u>	<u>6,556,811</u>	<u>-</u>

Louth Care Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017**

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	30.9.17	30.9.16 as restated
	£	£
Bank loans	<u>7,222,000</u>	<u>5,783,926</u>

The bank loan is secured by way of debenture over the assets of the parent and subsidiary, including a legal mortgage in respect of the freehold property of the group.

18. PROVISIONS FOR LIABILITIES

	Group		Company	
	30.9.17	30.9.16 as restated	30.9.17	30.9.16 as restated
	£	£	£	£
Deferred tax	<u>93,897</u>	<u>82,917</u>	<u>17,465</u>	<u>16,964</u>
Group				
				Deferred tax
				£
Balance at 1 October 2016				82,917
Charge to Income Statement during year				<u>10,980</u>
Balance at 30 September 2017				<u>93,897</u>
Company				
				Deferred tax
				£
Balance at 1 October 2016				16,964
Charge to Income Statement during year				<u>501</u>
Balance at 30 September 2017				<u>17,465</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	30.9.17	30.9.16 as restated
Number:	Class:			
			£	£
2,000	Ordinary	£0.01	20	20
100	A Ordinary	£0.01	<u>1</u>	<u>1</u>
			<u>21</u>	<u>21</u>

Louth Care Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017**

20. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Totals £
At 1 October 2016	248,897	1,598,480	1,847,377
Profit for the year	934,223		934,223
Dividends	(60,200)		(60,200)
	<u>1,122,920</u>	<u>1,598,480</u>	<u>2,721,400</u>
At 30 September 2017	<u>1,122,920</u>	<u>1,598,480</u>	<u>2,721,400</u>

Company

	Retained earnings £	Revaluation reserve £	Totals £
At 1 October 2016	745,561	1,598,480	2,344,041
Profit for the year	293,365		293,365
Dividends	(60,200)		(60,200)
	<u>978,726</u>	<u>1,598,480</u>	<u>2,577,206</u>
At 30 September 2017	<u>978,726</u>	<u>1,598,480</u>	<u>2,577,206</u>

21. RELATED PARTY DISCLOSURES

During the year the directors had an outstanding loans owed from the group of £3,744,064 on which no interest has been charged.

During the year the group had the following outstanding loan balances with companies under common control on which no interest has been charged:

Due to the group: £1,623,058

Due from the group: £93,534

The group also had a closing trade creditor balance of £630,479 due from companies under common control.

22. POST BALANCE SHEET EVENTS

On 27 March 2018 the company and its' group were reorganised. The reorganisation basis was that of a share for share exchange. The immediate parent undertaking of the company, effective from 27 March 2018, is HLWCH 900 Limited, the ultimate controlling parties remain unchanged.

Louth Care Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017

23. FIRST YEAR ADOPTION

Consolidated Reconciliation of Equity
1 October 2015
(Date of transition to FRS 102)

		UK GAAP £	Effect of transition to FRS 102 £	Effect of prior year adjustments £	FRS 102As Restated £
FIXED ASSETS					
Tangible assets	11	13,250,237	-	(305,767)	12,944,470
Investments	12	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
		<u>13,250,238</u>	<u>-</u>	<u>(305,767)</u>	<u>12,944,471</u>
CURRENT ASSETS					
Debtors	13	60,924	-	-	60,924
Cash at bank and in hand		<u>191,620</u>	<u>-</u>	<u>-</u>	<u>191,620</u>
		<u>252,544</u>	<u>-</u>	<u>-</u>	<u>252,544</u>
CREDITORS					
Amounts falling due within one year	14	<u>(11,573,078)</u>	<u>-</u>	<u>-</u>	<u>(11,573,078)</u>
NET CURRENT LIABILITIES		<u>(11,320,534)</u>	<u>-</u>	<u>-</u>	<u>(11,320,534)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,929,704		(305,767)	1,623,937
PROVISIONS FOR LIABILITIES	18	<u>(22,239)</u>	<u>-</u>	<u>-</u>	<u>(22,239)</u>
NET ASSETS		<u>1,907,465</u>	<u>-</u>	<u>(305,767)</u>	<u>1,601,698</u>
CAPITAL AND RESERVES					
Called up share capital	19	21	-	-	21
Revaluation reserve	20	1,598,480	-	-	1,598,480
Retained earnings	20	<u>308,964</u>	<u>-</u>	<u>(305,767)</u>	<u>3,197</u>
SHAREHOLDERS' FUNDS		<u>1,907,465</u>	<u>-</u>	<u>(305,767)</u>	<u>1,601,698</u>

Louth Care Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017

Company Reconciliation of Equity
1 October 2015
(Date of transition to FRS 102)

		UK GAAP £	Effect of transition to FRS 102 £	Effect of prior year adjustments £	FRS 102As Restated £
FIXED ASSETS					
Tangible assets	11	7,016,931	-	(286,144)	6,730,787
Investments	12	<u>11</u>	<u>-</u>	<u>-</u>	<u>11</u>
		<u>7,016,942</u>	<u>-</u>	<u>(286,144)</u>	<u>6,730,798</u>
CURRENT ASSETS					
Debtors	13	48,534	-	-	48,534
Cash at bank and in hand		<u>119,499</u>	<u>-</u>	<u>-</u>	<u>119,499</u>
		<u>168,033</u>	<u>-</u>	<u>-</u>	<u>168,033</u>
CREDITORS					
Amounts falling due within one year	14	<u>(4,916,587)</u>	<u>-</u>	<u>-</u>	<u>(4,916,587)</u>
NET CURRENT LIABILITIES		<u>(4,748,554)</u>	<u>-</u>	<u>-</u>	<u>(4,748,554)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,268,388		(286,144)	1,982,244
PROVISIONS FOR LIABILITIES	18	<u>(22,239)</u>	<u>-</u>	<u>-</u>	<u>(22,239)</u>
NET ASSETS		<u>2,246,149</u>	<u>-</u>	<u>(286,144)</u>	<u>1,960,005</u>
CAPITAL AND RESERVES					
Called up share capital	19	21	-	-	21
Revaluation reserve	20	1,598,480	-	-	1,598,480
Retained earnings	20	<u>647,648</u>	<u>-</u>	<u>(286,144)</u>	<u>361,504</u>
SHAREHOLDERS' FUNDS		<u>2,246,149</u>	<u>-</u>	<u>(286,144)</u>	<u>1,960,005</u>

Louth Care Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017

Consolidated Reconciliation of Equity - continued
30 September 2016

		UK GAAP £	Effect of transition to FRS 102 £	Effect of prior year adjustments £	FRS 102As Restated £
FIXED ASSETS					
Tangible assets	11	13,702,033	-	(571,275)	13,130,758
Investments	12	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
		<u>13,702,034</u>	<u>-</u>	<u>(571,275)</u>	<u>13,130,759</u>
CURRENT ASSETS					
Debtors	13	512,917	-	-	512,917
Cash at bank and in hand		<u>412,130</u>	<u>-</u>	<u>-</u>	<u>412,130</u>
		<u>925,047</u>	<u>-</u>	<u>-</u>	<u>925,047</u>
CREDITORS					
Amounts falling due within one year	14	<u>(11,858,656)</u>	<u>(26,772)</u>	<u>(240,063)</u>	<u>(12,125,491)</u>
NET CURRENT LIABILITIES		<u>(10,933,609)</u>	<u>(26,772)</u>	<u>(240,063)</u>	<u>(11,200,444)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,768,425	(26,772)	(811,338)	1,930,315
PROVISIONS FOR LIABILITIES	18	<u>(82,917)</u>	<u>-</u>	<u>-</u>	<u>(82,917)</u>
NET ASSETS		<u>2,685,508</u>	<u>(26,772)</u>	<u>(811,338)</u>	<u>1,847,398</u>
CAPITAL AND RESERVES					
Called up share capital	19	21	-	-	21
Revaluation reserve	20	1,598,480	-	-	1,598,480
Retained earnings	20	<u>1,087,007</u>	<u>(26,772)</u>	<u>(811,338)</u>	<u>248,897</u>
SHAREHOLDERS' FUNDS		<u>2,685,508</u>	<u>(26,772)</u>	<u>(811,338)</u>	<u>1,847,398</u>

Louth Care Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017

Company Reconciliation of Equity - continued
30 September 2016

		UK GAAP £	Effect of transition to FRS 102 £	Effect of prior year adjustments £	FRS 102As Restated £
FIXED ASSETS					
Tangible assets	11	7,005,310	-	(424,313)	6,580,997
Investments	12	<u>11</u>	<u>-</u>	<u>-</u>	<u>11</u>
		<u>7,005,321</u>	<u>-</u>	<u>(424,313)</u>	<u>6,581,008</u>
CURRENT ASSETS					
Debtors	13	193,432	-	1,439,740	1,633,172
Cash at bank and in hand		<u>239,469</u>	<u>-</u>	<u>-</u>	<u>239,469</u>
		<u>432,901</u>	<u>-</u>	<u>1,439,740</u>	<u>1,872,641</u>
CREDITORS					
Amounts falling due within one year	14	(4,522,325)	(9,218)	(1,561,080)	(6,092,623)
NET CURRENT LIABILITIES		<u>(4,089,424)</u>	<u>(9,218)</u>	<u>(121,340)</u>	<u>(4,219,982)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,915,897	(9,218)	(545,653)	2,361,026
PROVISIONS FOR LIABILITIES	18	<u>(19,964)</u>	<u>-</u>	<u>-</u>	<u>(16,964)</u>
NET ASSETS		<u>2,898,933</u>	<u>(9,218)</u>	<u>(545,653)</u>	<u>2,344,062</u>
CAPITAL AND RESERVES					
Called up share capital	19	21	-	-	21
Revaluation reserve	20	1,598,480	-	-	1,598,480
Retained earnings	20	<u>1,300,432</u>	<u>(9,218)</u>	<u>(545,653)</u>	<u>745,561</u>
SHAREHOLDERS' FUNDS		<u>2,898,933</u>	<u>(9,218)</u>	<u>(545,653)</u>	<u>2,344,062</u>

Louth Care Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 September 2017**

**Consolidated Reconciliation of Profit
for the Year Ended 30 September 2016**

	UK GAAP £	Effect of transition to FRS 102 £	Effect of prior year adjustments £	FRS 102as restated £
TURNOVER	3,968,318	-	(240,063)	3,728,255
Cost of sales	<u>(127,288)</u>	<u>-</u>	<u>-</u>	<u>(127,288)</u>
GROSS PROFIT	3,841,030	-	(240,063)	3,600,967
Administrative expenses	<u>(2,599,778)</u>	<u>(26,772)</u>	<u>(265,508)</u>	<u>(2,892,058)</u>
OPERATING PROFIT	1,241,252	(26,772)	(505,571)	708,909
Interest payable and similar expense	<u>(199,258)</u>	<u>-</u>	<u>-</u>	<u>(199,258)</u>
PROFIT BEFORE TAXATION	1,041,994	(26,772)	(505,571)	509,651
Tax on profit	<u>(263,951)</u>	<u>-</u>	<u>-</u>	<u>(263,951)</u>
PROFIT FOR THE YEAR	<u>778,043</u>	<u>(26,772)</u>	<u>(505,571)</u>	<u>245,700</u>
Profit attributable to: Owners of the parent				<u>245,700</u>

**Company Reconciliation of Profit
for the Year Ended 30 September 2016**

	UK GAAP £	Effect of transition to FRS 102 £	Effect of prior year adjustments £	FRS 102as restated £
TURNOVER	2,415,763	-	(121,340)	2,294,423
Cost of sales	<u>(82,024)</u>	<u>-</u>	<u>-</u>	<u>(82,024)</u>
GROSS PROFIT	2,333,739	-	(121,340)	2,212,399
Administrative expenses	<u>(1,411,328)</u>	<u>(9,218)</u>	<u>(138,169)</u>	<u>(1,558,715)</u>
OPERATING PROFIT	922,411	(9,218)	(259,509)	653,684
Interest payable and similar expense	<u>(110,780)</u>	<u>-</u>	<u>-</u>	<u>(110,780)</u>
PROFIT BEFORE TAXATION	811,631	(9,218)	(259,509)	542,904
Tax on profit	<u>(158,847)</u>	<u>-</u>	<u>-</u>	<u>(158,847)</u>
PROFIT FOR THE YEAR	<u>652,784</u>	<u>(9,218)</u>	<u>(259,509)</u>	<u>384,057</u>

Prior year adjustments are included in note 10. The effect of transition to FRS 102 relates to holiday pay provisions.