

**COMPANIES HOUSE  
EDINBURGH**

**24 DEC 2019**

**FRONT DESK**

**Opal Care Homes Limited**

Unaudited Financial Statements

Year Ended

31 March 2019

Company Number 07555989



# Opal Care Homes Limited

## Company Information

---

<b>Directors</b>	K J Groombridge A K Stein
<b>Registered number</b>	07555989
<b>Registered office</b>	Drakes Court 302 Alcester Road Wythall Birmingham B47 6JR
<b>Accountants</b>	BDO LLP Citypoint 65 Haymarket Terrace Edinburgh EH12 5HD

# Opal Care Homes Limited

## Contents

---

	Page
Accountants' report	1
Statement of financial position	2 - 3
Notes to the financial statements	4 - 11

# Opal Care Homes Limited

## **Chartered accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Opal Care Homes Limited for the year ended 31 March 2019**

---

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Opal Care Homes Limited for the year ended 31 March 2019 which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

It is your duty to ensure that Opal Care Homes Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Opal Care Homes Limited. You consider that Opal Care Homes Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Opal Care Homes Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

This report is made solely to the board of directors of Opal Care Homes Limited, as a body, in accordance with the terms of our engagement letter dated 7 January 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Opal Care Homes Limited and state those matters that we have agreed to state to the board of directors of Opal Care Homes Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Opal Care Homes Limited and its board of directors, as a body, for our work or for this report.



**BDO LLP**

*Chartered accountants*  
Edinburgh  
United Kingdom

Date: 24/2/2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Opal Care Homes Limited

Registered number:07555989

## Statement of financial position as at 31 March 2019

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Tangible assets	6		121,035		85,544
			<u>121,035</u>		<u>85,544</u>
<b>Current assets</b>					
Debtors: amounts falling due within one year	7	468,914		202,292	
Cash at bank and in hand	8	181,821		383,956	
		<u>650,735</u>		<u>586,248</u>	
Creditors: amounts falling due within one year	9	(534,691)		(480,264)	
<b>Net current assets</b>			<u>116,044</u>		<u>105,984</u>
<b>Total assets less current liabilities</b>			<u>237,079</u>		<u>191,528</u>
<b>Provisions for liabilities</b>					
Deferred tax	10	-		(1,495)	
			<u>-</u>	<u>(1,495)</u>	
<b>Net assets</b>			<u><u>237,079</u></u>		<u><u>190,033</u></u>
<b>Capital and reserves</b>					
Called up share capital	11		100		100
Profit and loss account	12		236,979		189,933
			<u><u>237,079</u></u>		<u><u>190,033</u></u>

**Opal Care Homes Limited**  
Registered number:07555989

**Statement of financial position (continued)**  
**as at 31 March 2019**

---

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

  
**A K Stein**  
Director

23/12/2019

The notes on pages 4 to 11 form part of these financial statements.

# Opal Care Homes Limited

## Notes to the financial statements for the year ended 31 March 2019

---

### 1. General information

Opal Care Homes Limited is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activity is in the directors' report.

### 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 Section 1A of 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 Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in 'sterling', which is the company's functional and presentation currency.

The following principal accounting policies have been applied:

#### 2.2 Turnover

Turnover comprises revenue recognised by the company in respect of residents' fees in the period on an accruals basis.

#### 2.3 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### 2.4 Finance costs

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

# Opal Care Homes Limited

## Notes to the financial statements for the year ended 31 March 2019

---

### 2. Accounting policies (continued)

#### 2.5 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; 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 reporting date.

#### 2.6 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Leasehold property	- Depreciated over 35 years
Plant and machinery	- 20% straight line
Fixtures and fittings	- 20% 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 the statement of comprehensive income.

#### 2.7 Debtors

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



# Opal Care Homes Limited

## Notes to the financial statements for the year ended 31 March 2019

---

### 2. Accounting policies (continued)

#### 2.8 Cash and cash equivalents

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

#### 2.9 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.

#### 2.10 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 non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable in one year), including loans and other accounts receivable and payable, are initially measured at present value of future cash flows and subsequently at amortised cost using effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

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

# Opal Care Homes Limited

## Notes to the financial statements for the year ended 31 March 2019

---

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

In preparing these financial statements, the directors have had to make the following judgements:

Determine whether leases entered into by the company either as a lessor or a lessee are operating or lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are indicators of impairment of the company's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

Tangible fixed assets (see note 8)

Tangible fixed assets, other than investments properties, 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 the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

### 4. Turnover

All turnover arose within the United Kingdom.

### 5. Employees

The average monthly number of employees, including directors, during the year was 65 (2018 - 65).

# Opal Care Homes Limited

## Notes to the financial statements for the year ended 31 March 2019

### 6. Tangible fixed assets

	S/Term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 April 2018	87,853	3,068	13,392	104,313
Additions	-	7,548	41,996	49,544
Disposals	-	-	(1,340)	(1,340)
At 31 March 2019	87,853	10,616	54,048	152,517
<b>Depreciation</b>				
At 1 April 2018	9,270	1,585	7,914	18,769
Charge for the year on owned assets	2,510	1,168	10,375	14,053
Disposals	-	-	(1,340)	(1,340)
At 31 March 2019	11,780	2,753	16,949	31,482
<b>Net book value</b>				
At 31 March 2019	76,073	7,863	37,099	121,035
At 31 March 2018	78,583	1,483	5,478	85,544

# Opal Care Homes Limited

## Notes to the financial statements for the year ended 31 March 2019

### 7. Debtors

	2019 £	2018 £
Trade debtors	52,511	51,887
Amounts owed by related parties	66,910	220
Other debtors	243,939	57,218
Called up share capital not paid	100	-
Prepayments and accrued income	103,473	92,967
Deferred taxation	1,981	-
	<u>468,914</u>	<u>202,292</u>

The impairment loss recognised in the profit or loss for the year in respect of bad and doubtful trade debtors was £31,112 (2018 - £17,729).

### 8. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	181,821	383,956
	<u>181,821</u>	<u>383,956</u>

### 9. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	266,077	153,211
Corporation tax	12,772	15,663
Other taxation and social security	34,774	31,284
Other creditors	91,717	91,625
Accruals and deferred income	129,351	188,481
	<u>534,691</u>	<u>480,264</u>

# Opal Care Homes Limited

## Notes to the financial statements for the year ended 31 March 2019

### 10. Deferred taxation

	2019 £
At beginning of year	1,495
Charged to profit or loss	3,476
<b>At end of year</b>	<b>(1,981)</b>

The deferred taxation balance is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(1,981)	1,495

### 11. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
100 (2018 - 100) Ordinary shares of £1 each	100	100

### 12. Reserves

The company's capital and reserves are as follows:

#### Called up share capital

Called up share capital represents the nominal value of the shares issued.

#### Profit and loss account

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

# **Opal Care Homes Limited**

## **Notes to the financial statements for the year ended 31 March 2019**

---

### **13. Related party transactions**

Included within amounts owed by related parties is an amount totalling £66,910 (2018 - £220) due from Healthcare Management Solutions Limited, a company related through common directorship. Management fees totaling £58,440 (2018 - £68,440) were charged in the year to Opal Care Homes Limited from Healthcare Management Solutions Limited.

Included within other debtors is an amount totalling £219,800 (2018 - £34,800) due from Healthcare Management Solutions Limited. The company loaned £185,000 during the year.

### **14. Controlling party**

The controlling party of the company is A.K.Stein, a director of the company.