

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016
FOR
CHARLTON COURT CARE HOME LIMITED**

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FOR THE YEAR ENDED 30 APRIL 2016

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CHARLTON COURT CARE HOME LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2016**

DIRECTORS:

Mr W J Davies
Mrs P L Jackson

REGISTERED OFFICE:

Corbie Steps
89 Harehills Lane
Leeds
LS7 4HA

REGISTERED NUMBER:

07632558 (England and Wales)

SENIOR STATUTORY AUDITOR:

Michael F Cox BSc FCA

AUDITORS:

Cox Costello & Horne
Chartered Accountants and Statutory Auditors
Fourth & Fifth Floor
14-15 Lower Grosvenor Place
London
SW1W 0EX

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2016**

The directors present their report with the financial statements of the company for the year ended 30 April 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2015 to the date of this report.

Mr W J Davies
Mrs P L Jackson

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Cox Costello & Horne, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Mr W J Davies - Director

26 January 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHARLTON COURT CARE HOME LIMITED

We have audited the financial statements of Charlton Court Care Home Limited for the year ended 30 April 2016 on pages four to eleven. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime
- and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Michael F Cox BSc FCA (Senior Statutory Auditor)
for and on behalf of Cox Costello & Horne
Chartered Accountants and Statutory Auditors
Fourth & Fifth Floor
14-15 Lower Grosvenor Place
London
SW1W 0EX

26 January 2017

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2016**

	Notes	30.4.16 £	30.4.15 £
TURNOVER		1,570,552	1,083,123
Cost of sales		<u>961,103</u>	<u>615,207</u>
GROSS PROFIT		609,449	467,916
Administrative expenses		<u>456,754</u>	<u>297,017</u>
OPERATING PROFIT	4	152,695	170,899
Interest payable and similar expenses		<u>150,178</u>	<u>136,526</u>
PROFIT BEFORE TAXATION		2,517	34,373
Tax on profit	5	<u>(1,042)</u>	<u>10,163</u>
PROFIT FOR THE FINANCIAL YEAR		3,559	24,210
OTHER COMPREHENSIVE INCOME			
Property revaluation		2,942,206	-
Income tax relating to other comprehensive income		<u>(542,110)</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		2,400,096	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,403,655	24,210

BALANCE SHEET
30 APRIL 2016

	Notes	30.4.16 £	£	30.4.15 £	£
FIXED ASSETS					
Tangible assets	6		4,078,348		1,166,005
CURRENT ASSETS					
Debtors	7	296,484		489,341	
Cash at bank and in hand		<u>243,423</u>		<u>80,876</u>	
		539,907		570,217	
CREDITORS					
Amounts falling due within one year	8	<u>131,284</u>		<u>338,823</u>	
NET CURRENT ASSETS			<u>408,623</u>		<u>231,394</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,486,971</u>		<u>1,397,399</u>
CREDITORS					
Amounts falling due after more than one year	9		(1,651,961)		(1,501,782)
PROVISIONS FOR LIABILITIES	10		<u>(557,380)</u>		<u>(21,642)</u>
NET ASSETS/(LIABILITIES)			<u><u>2,277,630</u></u>		<u><u>(126,025)</u></u>
CAPITAL AND RESERVES					
Called up share capital			2		2
Revaluation reserve	11		2,400,096		-
Retained earnings			<u>(122,468)</u>		<u>(126,027)</u>
SHAREHOLDERS' FUNDS			<u><u>2,277,630</u></u>		<u><u>(126,025)</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 26 January 2017 and were signed on its behalf by:

Mr W J Davies - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2016**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 May 2014	2	(150,237)	-	(150,235)
Changes in equity				
Total comprehensive income	-	24,210	-	24,210
Balance at 30 April 2015	2	(126,027)	-	(126,025)
Changes in equity				
Total comprehensive income	-	3,559	2,400,096	2,403,655
Balance at 30 April 2016	2	(122,468)	2,400,096	2,277,630

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

1. **STATUTORY INFORMATION**

Charlton Court Care Home 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.

The principal trading address is: Bristol Drive, Battle Hill Estate, Wallsend.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis, unless otherwise stated. The company has early adopted FRS 102 Section 1A in accordance with the requirements in section 1.15 of FRS 102.

All transactions and balances are stated in Sterling.

Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

These financial statements for the year ended 30 April 2016 are the first financial statements that comply with FRS 102 Section 1A small entities. In preparing these accounts the directors have considered whether in applying the accounting policies required by FRS 102 restatement of comparative items were required. The transition date was 1 May 2014. No restatements were required in these financial statements.

Going concern

The company is expected to continue to generate positive cash flows for the foreseeable future and for not less than 12 months from the date of this report. On the basis of their assessment of the company's financial position, the directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future which is not less than 12 months from the date of approving these financial statements. Financial resources include the support provided by the parent entity, Oakhurst Court Holdings Limited. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Significant judgements and estimates

In preparing these financial statements, the company has made judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively.

Turnover

Turnover represents the fair value of consideration receivable in the ordinary course of business for goods and services provided.

Revenue from residents of the care homes is recognised as earned, through the provision contracted services.

Turnover wholly arises within the United Kingdom.

Pension costs

From 1 April 2015, under the Pensions Act 2008, the company must put certain staff into a pension scheme and contribute towards it. This is called automatic enrolment. To comply with automatic enrolment laws, the company signed a participation agreement with a pension provider by which staff become members of an independently administered pension plan. The company and staff make contributions as specified in the plan. The assets of the plan are held separately from those of the company. The company has no liability under the plan other than for the payment of those contributions.

Contributions outstanding at the balance sheet date amounted to £Nil (2015: £Nil).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2016

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets, excluding freehold and leasehold land and buildings, are initially measured at historic cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring an asset into its intended working condition are included in the measurement of cost.

Freehold and leasehold land and buildings are initially measured at historic cost and subsequently at their revalued amount, being its fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of properties is their purchase price together with the cost of improvement works. Fair value is determined on an open market basis by an independent professional advisor qualified by the Royal Institution of Chartered Surveyors to undertake valuation. Valuations are taken on a regular basis to ensure that the carrying amount does not differ materially from fair value at the reporting date. The company undertakes a review on a rolling basis over a five year-period.

Changes in fair value are disclosed in other comprehensive income and taken to a separate revaluation reserve.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Residential freehold land	- not depreciated
Residential freehold buildings	- 50 years
Residential leasehold buildings	- over lease term
Plant and machinery	- 4 years
Fixtures and fittings	- 4 years
Office equipment	- 3 years

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the profit and loss account.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss account.

Deferred taxation

Provision is made on the liability method for all taxation deferred in respect of timing differences to the extent that, in the opinion of the directors, a liability is likely to crystallise in the foreseeable future.

Financial instruments

a) 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.

b) Creditors

Short term trade 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.

c) Cash at bank and in hand

Cash and cash equivalents comprise cash balances and call deposits and petty cash.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 59 .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2016

4. OPERATING PROFIT

The operating profit is stated after charging:

	30.4.16 £	30.4.15 £
Depreciation - owned assets	47,731	39,294
Auditors' remuneration	4,120	4,000
Auditors' remuneration for non audit work	<u>2,060</u>	<u>2,000</u>

5. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit for the year was as follows:

	30.4.16 £	30.4.15 £
Current tax:		
UK corporation tax	5,330	-
Group relief charge	-	(11,479)
Total current tax	<u>5,330</u>	<u>(11,479)</u>
Deferred tax	(6,372)	21,642
Tax on profit	<u>(1,042)</u>	<u>10,163</u>

Tax effects relating to effects of other comprehensive income

	Gross £	30.4.16 Tax £	Net £
Property revaluation	2,942,206	(542,110)	2,400,096
	<u>2,942,206</u>	<u>(542,110)</u>	<u>2,400,096</u>

The company has tax losses of £Nil (2015: £5,730) available to carry forward to future periods; subject to agreement from HMRC.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2016

6. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery etc £	Totals £
COST OR VALUATION			
At 1 May 2015	1,057,794	157,174	1,214,968
Additions	-	17,868	17,868
Revaluations	2,942,206	-	2,942,206
At 30 April 2016	4,000,000	175,042	4,175,042
DEPRECIATION			
At 1 May 2015	-	48,963	48,963
Charge for year	-	47,731	47,731
At 30 April 2016	-	96,694	96,694
NET BOOK VALUE			
At 30 April 2016	4,000,000	78,348	4,078,348
At 30 April 2015	1,057,794	108,211	1,166,005

Cost or valuation at 30 April 2016 is represented by:

	Freehold property £	Plant and machinery etc £	Totals £
Valuation in 2016	2,942,207	-	2,942,207
Cost	1,057,793	175,042	1,232,835
	4,000,000	175,042	4,175,042

If land and buildings had not been revalued they would have been included at the following historical cost:

	30.4.16 £	30.4.15 £
Cost	1,057,793	-
Aggregate depreciation	105,779	-

Land and buildings were valued on an open market basis on 28 April 2016 by DTZ Debenham Tie Leung Limited

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.16 £	30.4.15 £
Trade debtors	96,632	289,693
Amount owed by group undertaking	175,471	175,471
Amount owed by participating interest	-	20,388
Other debtors	24,381	3,789
	296,484	489,341

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2016

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.16	30.4.15
	£	£
Trade creditors	19,282	43,403
Amount owed to participating interest	-	169,780
Taxation and social security	28,147	22,373
Other creditors	83,855	103,267
	<u>131,284</u>	<u>338,823</u>

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

	30.4.16	30.4.15
	£	£
Amount owed to group undertaking	<u>1,651,961</u>	<u>1,501,782</u>

10. PROVISIONS FOR LIABILITIES

	30.4.16	30.4.15
	£	£
Deferred tax	<u>557,380</u>	<u>21,642</u>

	Deferred tax
	£
Balance at 1 May 2015	21,642
Depreciation in excess of capital allowances	(6,372)
Property revaluation	542,110
Balance at 30 April 2016	<u>557,380</u>

11. RESERVES

	Revaluation reserve
	£
Revaluation in year	<u>2,400,096</u>
At 30 April 2016	<u>2,400,096</u>

12. RELATED PARTY DISCLOSURES

Mr W J Davies and Mrs P L Jackson are directors of ADL PLC, a company with which Charlton Court Care Home Limited have entered into a partnership agreement. In the current period, £200,426 (2015: £110,233) was due from Charlton Court Care Home Limited to ADL PLC under that agreement. At the reporting date, ADL PLC was owed a total of £11,703 (2015: £162,728). The amount is unsecured, interest free and repayable on demand.

13. ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary company of Oakhurst Court Holdings Limited (a company incorporated in England and Wales). Oakhurst Court Holdings Limited prepares consolidated financial statements and can be obtained from Oakhurst Court Holdings Limited's registered office. The directors consider these accounts to be the smallest group of undertakings for which group accounts are prepared.

At the reporting date, in the directors' opinion, Mr H Harford was the ultimate controlling party. There has been no change between the reporting date and date of approval of the financial statements.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.