

REGISTERED NUMBER: 09734885 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTOR AND  
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018  
FOR  
ELEANOR HEALTH CARE GROUP LIMITED**

FRIDAY



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FOR THE YEAR ENDED 31 MARCH 2018**

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**ELEANOR HEALTH CARE GROUP LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2018**

**DIRECTOR:**

M V Santhiapillai

**REGISTERED OFFICE:**

Lee Gate House 1st Floor  
Burnt Ash Road  
London  
SE12 8RG

**REGISTERED NUMBER:**

09734885 (England and Wales)

**AUDITORS:**

Edwards Chartered Accountants  
Statutory Auditor  
409-411 Croydon Road  
Beckenham  
Kent  
BR3 3PP

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2018**

The director presents his strategic report of the company and the group for the year ended 31 March 2018.

**REVIEW OF BUSINESS**

The group successfully provides services in the health and social care sectors. The principal activities are home care (providing personal and domiciliary care), nursing agency, care homes, health and social care training, hospital logistics, patient care transport and consultancy to health care providers.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company continues to successfully provide services in the health and social care sectors. The principal activities are home care (providing personal and domiciliary care), nursing agency, care homes, health and social care training, hospital logistics, patient care transport and consultancy to health care providers.

**RESULTS AND PERFORMANCE**

The results of the group for the year show a profit on the ordinary activities before tax of £3,160,379. The shareholders' funds of the group total £9,603,975.

The performance of the group during the year has produced encouraging results. Eleanor Nursing and Social Care Limited continues to be the largest in the Care Group. Our home care and care home business has seen a significant improvement for this year despite the challenging environment in health and social care sector due to austerity cuts by the government.

**BUSINESS ENVIRONMENT**

Eleanor Care's main clients in Social Care is the local government and in health care is the NHS. Due to the austerity measures, both local government and NHS have been asked to make major savings reflecting in huge price reduction for the services we provide. Tougher regulations imposed by the Care quality commission also has led to increase in cost leading to a squeeze in the margins.

Due to the hard and difficult conditions in this sector many businesses have closed, however Eleanor has increased its market share in both health and social care during the year.

**STRATEGY**

The group's success is dependent on the service quality, pricing, and ongoing management of the costs - mainly the overheads. In the Care business, we have continued to consolidate our position. We believe it is important to retain a diversified portfolio of area in order to achieve maximum profitability through synergy in this highly competitive marketplace. In the Care and Logistics sector we have refocused the alignment of our products with our strong network which will allow us to enhance our market share and retention levels in this sector.

The group will continue to consolidate its position and concentrate its efforts on achieving maximum growth in its existing market segments and also hope to provide new services with more margins. We aim to improve efficiency in all areas of our operations with technology, innovation and creativity.

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2018**

**FUTURE DEVELOPMENTS**

Although the growth of the UK economy strengthened in the year, risks to UK economic growth remain significant and future prospects may be influenced by developments in the euro zone. The economic environment will continue to evolve at a rapid pace over the next two to three years making a return to the relative stability and certainty that preceded the crisis unlikely, at least in the short term. Interest rates are predicted to remain low in the short to medium term.

In addition, we are expecting there will be continuing growth in the Care Industry and also the potential for an increase in use frequency on certain lines of business. We plan to actively review our Home Care to seek to ensure profitability is maintained in difficult market conditions. This includes gaining a better understanding and efficiency in recruitment of our care staff.

We will continue to win new contracts in home care and logistics while going into new areas such as supported living, out-reach and day centres. We will also continue to invest in care homes. Fresh energy will be applied in nursing and training to develop the potential in the sectors.

We will continue to develop our relationships with customers, generating new business where possible and increasing retention levels while navigating the pressure on our Service users. The level of profitability in the coming year will depend on our cost management, entering new profitable sectors using our brand name and careful acquisition.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'M. Santhiapillai', written in a cursive style.

M V Santhiapillai - Director

21 December 2018

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 MARCH 2018**

The director presents his report with the financial statements of the company and the group for the year ended 31 March 2018.

**DIVIDENDS**

No interim dividend was paid during the year. The director recommends a final dividend of £18 per share.

The total distribution of dividends for the year ended 31 March 2018 will be £180,000.

**DIRECTOR**

M V Santhiapillai held office during the whole of the period from 1 April 2017 to the date of this report.

**POLITICAL DONATIONS AND EXPENDITURE**

During the year, the group made charitable donations of £2,500.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Group Strategic Report, the Report of the Director 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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**

So far as the director is 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 he 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.

**AUDITORS**

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

**ON BEHALF OF THE BOARD:**



M V Santhiapillai - Director

21 December 2018

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ELEANOR HEALTH CARE GROUP LIMITED**

### **Opinion**

We have audited the financial statements of Eleanor Health Care Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 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 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 the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2018 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group'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 director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, 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 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 Director 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 Director have been prepared in accordance with applicable legal requirements.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ELEANOR HEALTH CARE GROUP 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 Director.

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 parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is 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 director determines 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 director is 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

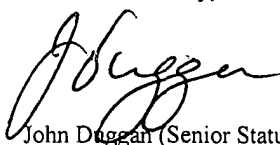
### Auditors' responsibilities for the audit of the financial statements

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### 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.



John Duggan (Senior Statutory Auditor)  
for and on behalf of Edwards Chartered Accountants  
Statutory Auditor  
409-411 Croydon Road  
Beckenham  
Kent  
BR3 3PP

21 December 2018

**ELEANOR HEALTH CARE GROUP LIMITED (REGISTERED NUMBER: 09734885)**

**CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018**

		2018		2017	
	Notes	£	£	£	£
<b>TURNOVER</b>			19,980,768		16,338,893
Cost of sales			10,154,063		7,796,230
<b>GROSS PROFIT</b>			<u>9,826,705</u>		<u>8,542,663</u>
Administrative expenses			6,573,058		6,170,206
<b>OPERATING PROFIT</b>	4		3,253,647		2,372,457
Income from other participating interests		46,979		91,119	
Interest receivable and similar income		440		3,459	
			<u>47,419</u>		<u>94,578</u>
			3,301,066		2,467,035
Interest payable and similar expenses	5		140,687		85,337
<b>PROFIT BEFORE TAXATION</b>			3,160,379		2,381,698
Tax on profit	6		631,658		530,481
<b>PROFIT FOR THE FINANCIAL YEAR</b>			<u>2,528,721</u>		<u>1,851,217</u>
Profit attributable to: Owners of the parent			<u>2,528,721</u>		<u>1,851,217</u>

The notes form part of these financial statements

ELEANOR HEALTH CARE GROUP LIMITED (REGISTERED NUMBER: 09734885)

CONSOLIDATED OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
PROFIT FOR THE YEAR		2,528,721	1,851,217
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,528,721</u>	<u>1,851,217</u>
Total comprehensive income attributable to: Owners of the parent		<u>2,528,721</u>	<u>1,851,217</u>

The notes form part of these financial statements

**CONSOLIDATED BALANCE SHEET**  
**31 MARCH 2018**

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Intangible assets	9	-	70,000
Tangible assets	10	3,591,449	3,153,444
Investments	11	5,119,715	4,014,473
		<u>8,711,164</u>	<u>7,237,917</u>
<b>CURRENT ASSETS</b>			
Stocks	12	95	177
Debtors	13	6,376,087	4,504,891
Cash at bank and in hand		1,055,760	761,140
		<u>7,431,942</u>	<u>5,266,208</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	2,264,291	1,965,243
<b>NET CURRENT ASSETS</b>		<u>5,167,651</u>	<u>3,300,965</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,878,815</u>	<u>10,538,882</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(4,236,905)	(3,252,138)
<b>PROVISIONS FOR LIABILITIES</b>	18	(37,935)	(31,490)
<b>NET ASSETS</b>		<u>9,603,975</u>	<u>7,255,254</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	10,002	10,002
Share premium	20	100,000	100,000
Revaluation reserve	20	528,250	528,250
Retained earnings	20	8,965,723	6,617,002
<b>SHAREHOLDERS' FUNDS</b>		<u>9,603,975</u>	<u>7,255,254</u>

The financial statements were approved by the director on 21 December 2018 and were signed by:



M V Santhiapillai - Director

The notes form part of these financial statements

**COMPANY BALANCE SHEET**  
**31 MARCH 2018**

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Intangible assets	9	-	-
Tangible assets	10	-	-
Investments	11	4,916,327	3,316,327
		<u>4,916,327</u>	<u>3,316,327</u>
<b>CURRENT ASSETS</b>			
Debtors	13	10,002	10,002
<b>CREDITORS</b>			
Amounts falling due within one year	14	4,916,327	3,316,327
<b>NET CURRENT LIABILITIES</b>		<u>(4,906,325)</u>	<u>(3,306,325)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>10,002</u>	<u>10,002</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	10,002	10,002
<b>SHAREHOLDERS' FUNDS</b>		<u>10,002</u>	<u>10,002</u>
Company's profit for the financial year		<u>180,000</u>	<u>10,000</u>

The financial statements were approved by the director on 21 December 2018 and were signed by:



M V Santhiapillai - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £	Total equity £
Balance at 1 April 2016	10,002	4,775,785	100,000	528,250	5,414,037
<b>Changes in equity</b>					
Dividends	-	(10,000)	-	-	(10,000)
Total comprehensive income	-	1,851,217	-	-	1,851,217
Balance at 31 March 2017	10,002	6,617,002	100,000	528,250	7,255,254
<b>Changes in equity</b>					
Dividends	-	(180,000)	-	-	(180,000)
Total comprehensive income	-	2,528,721	-	-	2,528,721
Balance at 31 March 2018	10,002	8,965,723	100,000	528,250	9,603,975

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2016	10,002	-	10,002
Changes in equity			
Dividends	-	(10,000)	(10,000)
Total comprehensive income	-	10,000	10,000
Balance at 31 March 2017	10,002	-	10,002
Changes in equity			
Dividends	-	(180,000)	(180,000)
Total comprehensive income	-	180,000	180,000
Balance at 31 March 2018	10,002	-	10,002

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	2,270,134	888,001
Interest paid		(137,763)	(79,957)
Interest element of hire purchase payments paid		(2,924)	(5,380)
Tax paid		(903,189)	(258,717)
Net cash from operating activities		<u>1,226,258</u>	<u>543,947</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(772,668)	(1,483,478)
Purchase of fixed asset investments		(1,105,242)	(2,434,162)
Sale of tangible fixed assets		20,522	133,611
On acquisition of group		1,101,785	2,439,542
Interest received		440	3,459
Dividends received		46,979	91,119
Net cash from investing activities		<u>(708,184)</u>	<u>(1,249,909)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(43,454)	(50,388)
Equity dividends paid		(180,000)	(10,000)
Net cash from financing activities		<u>(223,454)</u>	<u>(60,388)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>294,620</u>	<u>(766,350)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	761,140	1,527,490
<b>Cash and cash equivalents at end of year</b>	2	<u><u>1,055,760</u></u>	<u><u>761,140</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018

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

	2018	2017
	£	£
Profit before taxation	3,160,379	2,381,698
Depreciation charges	266,513	375,031
(Profit)/loss on disposal of fixed assets	(5,067)	1,602
Finance costs	140,687	85,337
Finance income	(47,419)	(94,578)
	<u>3,515,093</u>	<u>2,749,090</u>
Decrease in stocks	82	536
Increase in trade and other debtors	(1,871,196)	(1,993,698)
Increase in trade and other creditors	<u>626,155</u>	<u>132,073</u>
Cash generated from operations	<u><u>2,270,134</u></u>	<u><u>888,001</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 31 March 2018

	31.3.18	1.4.17
	£	£
Cash and cash equivalents	<u><u>1,055,760</u></u>	<u><u>761,140</u></u>

Year ended 31 March 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	<u><u>761,140</u></u>	<u><u>1,527,490</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

1. STATUTORY INFORMATION

Eleanor Health Care Group 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 General 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.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2012, is being amortised evenly over its estimated useful life of five years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost and in accordance with the property
Long leasehold	- in accordance with the property
Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost and 25% on reducing balance
Motor vehicles	- 25% on cost and 25% on reducing balance
Computer equipment	- 25% on cost and 25% on reducing balance

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**2. ACCOUNTING POLICIES - continued****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**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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**

	2018	2017
	£	£
Wages and salaries	12,907,888	10,637,906
Social security costs	911,427	695,072
Other pension costs	75,781	44,884
	<u>13,895,096</u>	<u>11,377,862</u>

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

	2018	2017
Direct and administrative	<u>830</u>	<u>795</u>
	2018	2017
	£	£
Directors' remuneration	<u>100,000</u>	<u>100,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Hire of plant and machinery	9,177	27,744
Equipment hire	114,291	240,041
Depreciation - owned assets	270,687	639,460
Depreciation - assets on hire purchase contracts	48,521	46,491
(Profit)/loss on disposal of fixed assets	(5,067)	1,602
Goodwill amortisation	70,000	90,000
Auditor's remuneration	12,630	10,350
	<u>12,630</u>	<u>10,350</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Bank interest	131,420	70,397
Other interest	6,343	9,560
Hire purchase	2,924	5,380
	<u>140,687</u>	<u>85,337</u>

6. TAXATION

Analysis of the tax charge

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

	2018	2017
	£	£
Current tax:		
UK corporation tax	625,213	543,788
Deferred tax	6,445	(13,307)
Tax on profit	<u>631,658</u>	<u>530,481</u>

7. 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.

8. DIVIDENDS

	2018	2017
	£	£
Ordinary shares of £1 each		
Final	<u>180,000</u>	<u>10,000</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**9. INTANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Goodwill £</b>
<b>COST</b>	
At 1 April 2017	
and 31 March 2018	<u>450,000</u>
<b>AMORTISATION</b>	
At 1 April 2017	380,000
Amortisation for year	<u>70,000</u>
At 31 March 2018	<u>450,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u>-</u>
At 31 March 2017	<u>70,000</u>

**10. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Freehold property £</b>	<b>Long leasehold £</b>	<b>Plant and machinery £</b>
<b>COST</b>			
At 1 April 2017	3,297,119	16,022	3,797
Additions	<u>520,920</u>	<u>-</u>	<u>14,780</u>
At 31 March 2018	<u>3,818,039</u>	<u>16,022</u>	<u>18,577</u>
<b>DEPRECIATION</b>			
At 1 April 2017	394,557	16,022	2,583
Charge for year	<u>100,057</u>	<u>-</u>	<u>1,291</u>
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2018	<u>494,614</u>	<u>16,022</u>	<u>3,874</u>
<b>NET BOOK VALUE</b>			
At 31 March 2018	<u>3,323,425</u>	<u>-</u>	<u>14,703</u>
At 31 March 2017	<u>2,902,562</u>	<u>-</u>	<u>1,214</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

## 10. TANGIBLE FIXED ASSETS - continued

## Group

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2017	576,239	270,395	157,762	4,321,334
Additions	167,818	53,221	15,929	772,668
Disposals	(56,250)	(96,022)	(2,286)	(154,558)
At 31 March 2018	687,807	227,594	171,405	4,939,444
<b>DEPRECIATION</b>				
At 1 April 2017	491,473	149,136	114,119	1,167,890
Charge for year	137,993	55,833	24,034	319,208
Eliminated on disposal	(56,250)	(82,092)	(761)	(139,103)
At 31 March 2018	573,216	122,877	137,392	1,347,995
<b>NET BOOK VALUE</b>				
At 31 March 2018	114,591	104,717	34,013	3,591,449
At 31 March 2017	84,766	121,259	43,643	3,153,444

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
<b>COST</b>	
At 1 April 2017	261,614
Additions	44,291
Disposals	(96,022)
At 31 March 2018	209,883
<b>DEPRECIATION</b>	
At 1 April 2017	146,686
Charge for year	48,521
Eliminated on disposal	(82,092)
At 31 March 2018	113,115
<b>NET BOOK VALUE</b>	
At 31 March 2018	96,768
At 31 March 2017	114,928

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**11. FIXED ASSET INVESTMENTS****Group**

	Shares in group undertakings £	Unlisted investments £	Totals £
<b>COST</b>			
At 1 April 2017	1,953,683	2,060,790	4,014,473
Additions	1,103,263	1,979	1,105,242
	<u>3,056,946</u>	<u>2,062,769</u>	<u>5,119,715</u>
At 31 March 2018	3,056,946	2,062,769	5,119,715
<b>NET BOOK VALUE</b>			
At 31 March 2018	<u>3,056,946</u>	<u>2,062,769</u>	<u>5,119,715</u>
At 31 March 2017	<u>1,953,683</u>	<u>2,060,790</u>	<u>4,014,473</u>

**Company**

	Shares in group undertakings £
<b>COST</b>	
At 1 April 2017	3,316,327
Additions	1,600,000
	<u>4,916,327</u>
At 31 March 2018	4,916,327
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u>4,916,327</u>
At 31 March 2017	<u>3,316,327</u>

**12. STOCKS**

	<b>Group</b>	
	2018	2017
	£	£
Stocks	<u>95</u>	<u>177</u>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>	<b>Company</b>	
	2018	2017	2018
	£	£	£
Trade debtors	2,776,919	2,030,543	-
Other debtors	3,236,806	2,221,619	10,002
Prepayments and accrued income	362,362	252,729	-
	<u>6,376,087</u>	<u>4,504,891</u>	<u>10,002</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans and overdrafts (see note 16)	139,977	174,938	-	-
Hire purchase contracts (see note 17)	26,084	40,254	-	-
Trade creditors	563,333	184,336	-	-
Amounts owed to group undertakings	-	-	4,906,225	3,306,224
Tax	625,110	903,086	-	-
Social security and other taxes	337,446	228,465	-	-
VAT	102,230	18,631	-	-
Other creditors	138,923	135,725	10,102	10,103
Accruals and deferred income	331,188	279,808	-	-
	<u>2,264,291</u>	<u>1,965,243</u>	<u>4,916,327</u>	<u>3,316,327</u>

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

	Group	
	2018	2017
	£	£
Bank loans (see note 16)	4,231,562	3,217,511
Hire purchase contracts (see note 17)	5,343	34,627
	<u>4,236,905</u>	<u>3,252,138</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2018	2017
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>139,977</u>	<u>174,938</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>4,231,562</u>	<u>3,217,511</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	26,084	40,254
Between one and five years	5,343	34,627
	<u>31,427</u>	<u>74,881</u>

Group

	Non-cancellable operating leases	
	2018	2017
	£	£
Between one and five years	<u>71,667</u>	<u>101,667</u>

18. PROVISIONS FOR LIABILITIES

	Group	
	2018	2017
	£	£
Deferred tax	<u>37,935</u>	<u>31,490</u>

Group

	Deferred tax
	£
Balance at 1 April 2017	31,490
Charge to Income Statement during year	6,445
Balance at 31 March 2018	<u>37,935</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2018	2017
Number:	Class:	Nominal value:	£	£
10,002	Ordinary	£1	<u>10,002</u>	<u>10,002</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**20. RESERVES****Group**

	Retained earnings £	Share premium £	Revaluation reserve £	Totals £
At 1 April 2017	6,617,002	100,000	528,250	7,245,252
Profit for the year	2,528,721			2,528,721
Dividends	(180,000)			(180,000)
	<u>8,965,723</u>	<u>100,000</u>	<u>528,250</u>	<u>9,593,973</u>
At 31 March 2018	<u>8,965,723</u>	<u>100,000</u>	<u>528,250</u>	<u>9,593,973</u>

**Company**

	Retained earnings £
Profit for the year	180,000
Dividends	(180,000)
	<u>-</u>
At 31 March 2018	<u>-</u>

**21. TRANSACTIONS WITH DIRECTORS**

The following advances and credits to a director subsisted during the years ended 31 March 2018 and 31 March 2017:

	2018 £	2017 £
<b>M V Santhiapillai</b>		
Balance outstanding at start of year	(1,627)	1,145,388
Amounts advanced	221,583	-
Amounts repaid	-	(1,147,015)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>219,956</u>	<u>(1,627)</u>

During the year, the group voted dividends of £180,000 to the director.

At the balance sheet date, the company was owed £600,000 by Santhiapillai Investments Limited, a company under the control of the director.

**22. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is M V Santhiapillai.