

Financial Statements Advanced Specialist Care Limited

For the Year Ended 30 September 2016

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COMPANIES HOUSE

Registered number: SC096630

Company Information

Director	Mr A R Banks
Registered number	SC096630
Registered office	Earn House Lamberkine Drive Perth PH1 1RA
Independent auditor	Grant Thornton UK LLP Chartered Accountants 110 Queen Street Glasgow G1 3BX
Bankers	Santander UK plc Regents Place London NW1 3AN Bank of Scotland plc Edinburgh EH1 1YZ
Solicitors	Brodies LLP Glasgow G1 3BX

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Strategic Report

For the Year Ended 30 September 2016

Introduction

The director, in preparing this strategic report, has complied with s414C of the Companies Act 2006.

Principal Activities

The principal activity of the company is the provision of residential care for adults with learning difficulties. The company is a wholly owned subsidiary of Balhousie Holdings Limited ("The Group").

Results

The results for the period are shown on page 7. The company recorded a profit before tax of £1,603k (year ended 30 September 2015: £1,303k) and the directors are satisfied with the results for the period given prevailing market conditions. A more detailed analysis of the performance of the company is provided in the Business Review below.

Business review

The company follows the Scottish Government 'Keys for Life' strategy for supporting clients with learning disabilities and has implemented the Group strategy 'Together We're Great'. The Company has experienced a 2% average increase in occupancy from 2015 and average care grades improved by 6% in the 12 month period to September 2016. The company continues to invest in its people and has implemented a new e-learning platform. The company has developed bungalows at Coupar Angus that provide accommodation for residents in a new community setting and admitted its first resident to the facility in August 2016.

Refinancing

The Group agreed revised terms to its current bank facilities in June 2016, including the repayment terms and the financial covenants attached to the facilities. The Group is in advanced discussions with banks to refinance its facilities in 2017.

Principal risks and uncertainties

The main risks associated with the company's financial assets and liabilities are set out below:-

The Group is primarily financed by bank borrowing and therefore there is exposure to interest rate fluctuations and liquidity risk. The Group aims to mitigate liquidity risk by managing cash generated by its operations, and in addition, has fixed the interest cost applied to the majority of the Group debt using interest rate swaps. There are no derivatives held for speculative purposes.

Credit risk is managed by invoicing in advance whenever possible to private residents and ensuring that all sales invoices are raised timeously. Appropriate credit control procedures are followed for all operations. Credit risk is also reduced by being in the advantageous position of having a significant level of income generated through local government and across a variety of local authorities.

Operational risk is managed by the care home manager and the company's Operational Support Team. This is monitored internally by management and externally by regular inspections, both announced and unannounced, by the Care Inspectorate. The Care Inspectorate will inspect the homes and provide feedback on any potential areas for improvement which is then implemented by the Group's Operations Director.

Advanced Specialist Care Limited

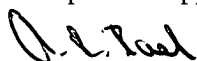
Strategic Report

For the Year Ended 30 September 2016

Corporate Governance

The Group operates Care Governance and Audit & Remuneration Committees that provide oversight on key care quality, remuneration and audit issues impacting on the business. These committees meet on a regular basis and are chaired independently by non-executive directors.

This report was approved by the board on 23 May 2017 and signed on its behalf.



Mr A R Banks
Director

Director's Report

For the Year Ended 30 September 2016

The director presents his report and the financial statements for the year ended 30 September 2016.

Results and dividends

The profit for the year, after taxation, amounted to £1,395k (2015 -£1,298k).

Director

The director who served during the year was:

Mr A R Banks

Director's responsibilities statement

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the director must not approve the financial statements unless he is satisfied that he gives a true and fair view of the state of affairs and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Principal risks and uncertainties

The Strategic Report on page 1 contains details of the principal risks and uncertainties facing the business.

Director's Report (continued)

For the Year Ended 30 September 2016

Disclosure of information to auditor

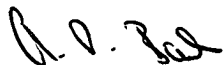
The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 23 May 2017 and signed on its behalf.



Mr A R Banks
Director

Independent Auditor's Report to the Members of Advanced Specialist Care Limited

We have audited the financial statements of Advanced Specialist Care Limited for the year ended 30 September 2016. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 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 an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Director's Responsibilities Statement on page 3, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

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 September 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.



Independent Auditor's Report to the Members of Advanced Specialist Care Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Director's report for the financial year for which the financial statements are prepared is consistent with those 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

A handwritten signature in black ink, appearing to read "Grant Thornton" followed by a stylized signature.

James Chadwick (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Glasgow

23 May 2017

Statement of Comprehensive Income

For the Year Ended 30 September 2016

	Note	2016 £000	2015 £000
Turnover	4	3,682	3,313
Cost of sales		(1,800)	(1,740)
Gross profit		1,882	1,573
Administrative expenses		(279)	(270)
Operating profit	5	1,603	1,303
Tax on profit	7	(208)	(5)
Profit for the year		1,395	1,298
Surplus on revaluation of tangible fixed assets	8	3,398	-
Deferred tax on revaluation of tangible fixed assets		(184)	(9)
		3,214	(9)
Total comprehensive income for the year		4,609	1,289

The notes on pages 11 to 24 form part of these financial statements.

Statement of Financial Position

As at 30 September 2016

	Note	2016 £000	2015 £000
Fixed assets			
Tangible assets	8	11,988	8,092
		<u>11,988</u>	<u>8,092</u>
Current assets			
Stocks	9	2	2
Debtors: amounts falling due within one year	10	3,990	3,094
Cash at bank and in hand	11	427	16
		<u>4,419</u>	<u>3,112</u>
Creditors: amounts falling due within one year	12	(653)	(228)
Net current assets		<u>3,766</u>	<u>2,884</u>
Total assets less current liabilities		<u>15,754</u>	<u>10,976</u>
Provisions for liabilities			
Deferred taxation	13	(903)	(734)
		<u>(903)</u>	<u>(734)</u>
Net assets		<u><u>14,851</u></u>	<u><u>10,242</u></u>
Capital and reserves			
Called up share capital	14	50	50
Revaluation reserve	15	6,450	3,236
Profit and loss account	15	8,351	6,956
		<u>14,851</u>	<u>10,242</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 May 2017.



Mr A R Banks

Director

The notes on pages 11 to 24 form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 September 2016

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 October 2015	50	3,236	6,956	10,242
Comprehensive income for the year				
Profit for the year	-	-	1,395	1,395
Surplus on revaluation of freehold property	-	3,398	-	3,398
Deferred tax on revaluations	-	(184)	-	(184)
Other comprehensive income for the year	-	3,214	-	3,214
Total comprehensive income for the year	-	3,214	1,395	4,609
Total transactions with owners	-	-	-	-
At 30 September 2016	50	6,450	8,351	14,851

Statement of Changes in Equity

For the Year Ended 30 September 2015

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 October 2014	50	3,245	5,658	8,953
Comprehensive income for the year				
Profit for the year	-	-	1,298	1,298
Deferred tax on revaluations	-	(9)	-	(9)
Other comprehensive income for the year	-	(9)	-	(9)
Total comprehensive income for the year	-	(9)	1,298	1,289
Total transactions with owners	-	-	-	-
At 30 September 2015	50	3,236	6,956	10,242

The notes on pages 11 to 24 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 September 2016

1. General information

Advanced Specialist Care Limited is a limited liability company incorporated in Scotland. Its registered head office is located at Earn House, Lamberkine Drive, Perth, PH1 1RA

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold property and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 19.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Balhousie Holdings Limited as at 30 September 2016 and these financial statements may be obtained from Companies House.

2.3 Going concern

The financial statements have been prepared on the going concern basis, which assumes that the company will have sufficient resources to enable it to continue in business for the foreseeable future. In reaching this conclusion the director has reviewed future projections of the trading group. These forecasts show that the company and Group will be able to operate within the existing covenanted resources available to it, for a period of not less than 12 months from the date of approving these financial statements.

Notes to the Financial Statements

For the Year Ended 30 September 2016

2. Accounting policies (continued)

2.4 Revenue

Revenue represents fee income receivable from care services provided. Revenue is recognised in the year in which the Group obtains the right to consideration as the services provided under contracts have been delivered and is recorded at the value of the consideration due. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of the Creditors due within one year. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.5 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 provided on the following basis:

Long-term leasehold property	- Straight line over the term of the lease
Furniture and fittings	- 12.5% - 33% Straight line
Motor vehicles	- 25% reducing balance

No depreciation is provided on freehold property in the current or prior year. The directors consider that this accounting policy, which represents a departure from the statutory accounting rules is necessary to provide a true and fair view as permitted under FRS15 'Tangible fixed assets'.

The Group has a policy and practice of regular maintenance and repairs (charges for which are recognised in the profit and loss account) such that the freehold property is kept to its previously assessed standards of performance. As a result the property maintains a high residual value and any depreciation is not considered material.

2.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses and any losses exceeding the previously recognised gains or reflecting a clear consumption of economic benefits are recognised through profit or loss.

2.7 Stocks

Stocks are stated at cost. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced. The impairment loss is recognised immediately in profit or loss to its recoverable amount.

Notes to the Financial Statements

For the Year Ended 30 September 2016

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 Financial instruments

The Company only enters into basic financial instruments 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 within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the 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 a 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 amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows 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, 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.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements

For the Year Ended 30 September 2016

2. Accounting policies (continued)

2.11 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.

2.12 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.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 October 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

Notes to the Financial Statements

For the Year Ended 30 September 2016

2. Accounting policies (continued)

2.16 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.

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

Tangible Fixed Assets (see note 9)

Tangible fixed assets 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 a 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.

Assets are considered for indications of impairment, if required an impairment review will be carried out and a decision made on possible impairment. 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.

Recoverability of debtors

Bad debts are provided where, in the opinion of the director, there is objective evidence of the need for a provision.

4. Turnover

All turnover arose within the United Kingdom.

Notes to the Financial Statements

For the Year Ended 30 September 2016

5. Operating profit

The operating profit is stated after charging:

	2016	2015
	£000	£000
Depreciation of tangible fixed assets	44	42

During the year, the director received no emoluments (2015: £NIL). The director was also director of, and was remunerated by, the parent company Balhousie Holdings Limited in both periods.

Audit remuneration was borne by Balhousie Holdings Limited. The director estimated fees payable in relation to this company amounted to £4,000 (2015: £3,000).

6. Employees

Staff costs were as follows:

	2016	2015
	£000	£000
Wages and salaries	1,554	1,501
Social security costs	121	119
Cost of defined contribution scheme	20	19
	1,695	1,639

The average monthly number of employees, including the director, during the year was as follows:

	2016	2015
	No.	No.
Home Staff	87	88

Notes to the Financial Statements

For the Year Ended 30 September 2016

7. Taxation

	2016 £000	2015 £000
Corporation tax		
Current tax on profits for the year	223	-
Total current tax	<u>223</u>	<u>-</u>
Deferred tax (Note 14)		
Origination and reversal of timing differences	12	5
Effect of tax rate change on opening balance	(27)	-
Total deferred tax	<u>(15)</u>	<u>5</u>
Taxation on profit on ordinary activities	<u>208</u>	<u>5</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 -lower than) the standard rate of corporation tax in the UK of 20% (2015 -20.5%). The differences are explained below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	<u>1,603</u>	<u>1,303</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 -20.5%)	321	267
Effects of:		
Rate changes	(29)	(18)
Group relief	(41)	(244)
Transfer pricing adjustment	(43)	-
Total tax charge for the year	<u>208</u>	<u>5</u>

The aggregate current and deferred tax relating to items that are recognised as items of other comprehensive income is (£184,226) and 2015 - (£8,712)

Notes to the Financial Statements

For the Year Ended 30 September 2016

7. Taxation (continued)**Factors that may affect future tax charges**

A number of changes to the UK Corporation tax system were announced in the March 2015 Budget Statement, and substantively enacted as part of the Finance Act (No.2) 2015 on 26 October 2015, with the main rate of corporation tax reduced from 20% to 19% from 1 April 2017 and from 19% to 18% from 1 April 2020. The Finance Act 2016, substantively enacted on 15 September 2016, further reduced the corporation tax rate to 17% from 1 April 2020 and the recognised deferred tax balances have been re-measured to 17%.

8. Tangible fixed assets

	Freehold property £000	Motor vehicles £000	Fixtures and fittings £000	Total £000
Cost or valuation				
At 1 October 2015	7,902	27	634	8,563
Additions	4	-	42	46
Transfers intra group	496	-	-	496
Revaluations	3,398	-	-	3,398
At 30 September 2016	<u>11,800</u>	<u>27</u>	<u>676</u>	<u>12,503</u>
Depreciation				
At 1 October 2015	-	23	448	471
Charge for the period on owned assets	-	1	43	44
At 30 September 2016	<u>-</u>	<u>24</u>	<u>491</u>	<u>515</u>
Net book value				
At 30 September 2016	<u>11,800</u>	<u>3</u>	<u>185</u>	<u>11,988</u>
At 30 September 2015	<u>7,902</u>	<u>4</u>	<u>186</u>	<u>8,092</u>

At the year end the company had no capital commitments not provided for (30 September 2015: £Nil)

Notes to the Financial Statements

For the Year Ended 30 September 2016

8. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2016 £000	2015 £000
Freehold	11,799	7,902

Cost or valuation at 30 September 2016 is as follows:

	Freehold property £000
At cost	4,737
At valuation: Revaluation in May 2014 and September 2016	7,062
	11,799

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2016 £000
Cost	4,737
Net book value	4,737

9. Stocks

	2016 £000	2015 £000
Care home consumables	2	2

The differences between purchase price and their replacement cost is not material.

10. Debtors

	2016 £000	2015 £000
Trade debtors	48	58
Amounts owed by group undertakings	3,739	2,979
Prepayments and accrued income	203	57
	3,990	3,094

Notes to the Financial Statements

For the Year Ended 30 September 2016

11. Cash and cash equivalents

	2016 £000	2015 £000
Cash at bank and in hand	427	16

12. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Amounts owed to group undertakings	18	18
Corporation tax	223	-
Other taxation and social security	30	28
Other creditors	316	127
Accruals and deferred income	66	55
	653	228

At the period end, the company had granted a first standard security over its properties together with a bond and floating charge, as security for the bank borrowings of its parent company, Balhousie Holdings Limited. The company is an additional guarantor under the terms of the Group's syndicated arrangement managed by Bank of America Merrill Lynch and Cross Ocean Partners LLP. The total borrowings outstanding at the balance sheet date in relation to this facility amounted to £37.0m (2015: £38.2m). The interest rate risk on the borrowings was hedged using interest rate swaps which as at 30 September 2016 had a fair value of £2.7m liability (30 September 2015: £2.9m).

Santander provide the operational banking facility and they also have a floating charge over the assets of the company.

13. Deferred taxation

	2016 £000	2015 £000
At beginning of year	(734)	(720)
Charged to profit or loss	15	(5)
Charged to other comprehensive income	(184)	(9)
At end of year	(903)	(734)

Notes to the Financial Statements

For the Year Ended 30 September 2016

13. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2016 £000
Accelerated capital allowances	(167)
Short term timing differences	4
Capital gains	(740)
	<u>(903)</u>

14. Share capital

	2016 £000	2015 £000
Shares classified as equity		
Allotted, called up and fully paid		
50,000 Ordinary shares of £1 each	<u>50</u>	<u>50</u>

15. Reserves

Revaluation reserve

This reserve comprises of revaluations to freehold properties.

Profit and loss account

Includes all current and prior period retained profit and losses.

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £20k (2015 - £19k). Contributions totaling £2k (2015 - £2k) were payable to the fund at the balance sheet date.

17. Related party transactions

The company is a wholly owned subsidiary of Balhousie Holdings Limited, the consolidated accounts which are publicly available from the Registrar of Companies. Accordingly, the company has taken advantage of the exemption in FRS102 from disclosing transactions with members of the Balhousie Care Group.

Notes to the Financial Statements

For the Year Ended 30 September 2016

18. Controlling party

The company is a wholly owned subsidiary of Balhousie Holdings Limited, a company registered in Scotland. The results of Advanced Specialist Care Limited are included within the consolidated financial statements of Balhousie Holdings Limited for the year ended 30 September 2016. The company which consolidates the largest and smallest group of companies in which this company is included is Balhousie Holdings Limited.

The ultimate controlling party is Mr A R Banks, by virtue of his share ownership in Balhousie Holdings Limited.

Advanced Specialist Care Limited

Notes to the Financial Statements

For the Year Ended 30 September 2016

19. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 October 2014. The impact of the transition to FRS 102 is as follows:

	As previously stated 1 October 2014 £000	Effect of transition 1 October 2014 £000	FRS 102 (as restated) 1 October 2014 £000	As previously stated 30 September 2015 £000	Effect of transition 30 September 2015 £000	FRS 102 (as restated) 30 September 2015 £000
Note						
Fixed assets	8,069	-	8,069	8,092	-	8,092
Current assets	1,880	-	1,880	3,112	-	3,112
Creditors: amounts falling due within one year	(277)	-	(277)	(228)	-	(228)
Net current assets	1,603	-	1,603	2,884	-	2,884
Total assets less current liabilities	9,672	-	9,672	10,976	-	10,976
Provisions for liabilities	(155)	(565)	(720)	(178)	(556)	(734)
Net assets	9,517	(565)	8,952	10,798	(556)	10,242
Capital and reserves	9,517	(565)	8,952	10,798	(556)	10,242

Notes to the Financial Statements

For the Year Ended 30 September 2016

19. First time adoption of FRS 102 (continued)

		As previously stated 30 September 2015 £000	Effect of transition 30 September 2015 £000	FRS 102 (as restated) 30 September 2015 £000
Turnover	Note	3,313	-	3,313
Cost of sales		(1,740)	-	(1,740)
		1,573	-	1,573
Administrative expenses		(270)	-	(270)
Operating profit		1,303	-	1,303
Taxation		(22)	-	(22)
Profit on ordinary activities after taxation and for the financial year		1,281	-	1,281

Explanation of changes to previously reported profit and equity:

- 1 Movement was caused by the recognition of deferred tax on revaluations of property.