

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2017
for
APPLECROSS NURSING HOME LIMITED

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for the Year Ended 31 March 2017

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APPLECROSS NURSING HOME LIMITED

Company Information
for the Year Ended 31 March 2017

DIRECTORS: A Kelly
Mrs M Kelly

SECRETARY: P Kelly

REGISTERED OFFICE: Glasgow Road
The Hurlet
Glasgow
G53 7TG

REGISTERED NUMBER: SC177933 (Scotland)

SENIOR STATUTORY AUDITOR: Robert Pollock BA CA

AUDITORS: Sharles Audit Limited
Statutory Auditor
29 Brandon Street
Hamilton
ML3 6DA

Strategic Report
for the Year Ended 31 March 2017

The directors present their strategic report for the year ended 31 March 2017.

REVIEW OF BUSINESS

In the opinion of the board of directors, the company has achieved good results of the year under review, despite the difficult market conditions.

	31st March 2017	31st March 2016
Turnover	£2,312,841	£2,221,232
(Loss)/Profit after taxation	(£442)	£185,527
Gross Profit	£598,762	£706,877
Gross profit percentage	25.89%	31.82%
Turnover per productive employee	£22,675	£27,423

Shareholders' funds amount to £1,137,225 (2016 - £1,131,333). The directors are confident that the company has sufficient reserves to finance the anticipated levels of activity in the future.

Turnover for the year ended March 2018 is likely to be consistent, and the board is satisfied that, with tight control of margins generated, and careful monitoring of overheads, profitability will continue at satisfactory levels.

There have been no events since the balance sheet date that materially affect the financial position of the company.

PRINCIPAL RISKS AND UNCERTAINTIES

The company operates in the nursing home industry and is therefore subject to the trading cycles that occur in that sector. The market is competitive although the company has a good reputation with local and regulatory authorities and therefore has repeat business. The board is confident that the excellent levels of service provided will ensure that the company continues to be competitive in its chosen market.

The company's main credit risk relates to debtors. The company is turnover driven and has a high percentage of turnover with key local authority customers.

The company has an overdraft facility with its bankers which has been well managed. The company monitors cash flow as part of its day to day control procedures.

ON BEHALF OF THE BOARD:

P Kelly - Secretary

20 December 2017

Report of the Directors
for the Year Ended 31 March 2017

The directors present their report with the financial statements of the company for the year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of nursing home.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2017.

DIRECTORS

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

A Kelly
Mrs M Kelly

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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, Sharles Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P Kelly - Secretary

20 December 2017

Report of the Independent Auditors to the Members of
Applecross Nursing Home Limited

We have audited the financial statements of Applecross Nursing Home Limited for the year ended 31 March 2017 on pages six to twenty one. 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 three, 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 Strategic Report and 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 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

Report of the Independent Auditors to the Members of
Applecross Nursing Home Limited

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.

Robert Pollock BA CA (Senior Statutory Auditor)
for and on behalf of Charles Audit Limited
Statutory Auditor
29 Brandon Street
Hamilton
ML3 6DA

20 December 2017

Statement of Comprehensive Income
for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
TURNOVER		2,312,841	2,221,232
Cost of sales		<u>1,714,079</u>	<u>1,514,355</u>
GROSS PROFIT		598,762	706,877
Administrative expenses		<u>481,684</u>	<u>399,381</u>
		117,078	307,496
Other operating income		<u>-</u>	<u>81</u>
OPERATING PROFIT	5	117,078	307,577
Interest receivable and similar income		<u>1</u>	<u>1</u>
		117,079	307,578
Interest payable and similar expenses	6	<u>120,249</u>	<u>107,529</u>
(LOSS)/PROFIT BEFORE TAXATION		(3,170)	200,049
Tax on (loss)/profit	7	<u>(2,728)</u>	<u>14,522</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(442)	185,527
OTHER COMPREHENSIVE INCOME			
Deferred tax movement on revaluation			
Income tax relating to other comprehensive income		6,334	6,334
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>6,334</u>	<u>6,334</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>5,892</u>	<u>191,861</u>

APPLECROSS NURSING HOME LIMITED (REGISTERED NUMBER: SC177933)

Balance Sheet
31 March 2017

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Tangible assets	9		5,952,571		4,288,885
CURRENT ASSETS					
Debtors	10	466,628		422,204	
Cash in hand		<u>9,233</u>		<u>14,647</u>	
		475,861		436,851	
CREDITORS					
Amounts falling due within one year	11	<u>607,323</u>		<u>487,119</u>	
NET CURRENT LIABILITIES			<u>(131,462)</u>		<u>(50,268)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,821,109		4,238,617
CREDITORS					
Amounts falling due after more than one year	12		(4,255,688)		(2,672,970)
PROVISIONS FOR LIABILITIES	15		<u>(428,196)</u>		<u>(434,314)</u>
NET ASSETS			<u>1,137,225</u>		<u>1,131,333</u>
CAPITAL AND RESERVES					
Called up share capital	16		5		5
Revaluation reserve	17		1,082,684		1,108,022
Retained earnings	17		<u>54,536</u>		<u>23,306</u>
SHAREHOLDERS' FUNDS			<u>1,137,225</u>		<u>1,131,333</u>

The financial statements were approved by the Board of Directors on 20 December 2017 and were signed on its behalf by:

A Kelly - Director

APPLECROSS NURSING HOME LIMITED (REGISTERED NUMBER: SC177933)

Statement of Changes in Equity
for the Year Ended 31 March 2017

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 April 2015	4	1,707	1,133,360	1,135,071
Changes in equity				
Issuc of share capital	1	-	-	1
Dividends	-	(195,600)	-	(195,600)
Total comprehensive income	-	217,199	(25,338)	191,861
Balance at 31 March 2016	<u>5</u>	<u>23,306</u>	<u>1,108,022</u>	<u>1,131,333</u>
Changes in equity				
Total comprehensive income	-	31,230	(25,338)	5,892
Balance at 31 March 2017	<u>5</u>	<u>54,536</u>	<u>1,082,684</u>	<u>1,137,225</u>

Cash Flow Statement
for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	266,983	214,373
Interest paid		(120,249)	(107,529)
Tax paid		(20,769)	(48,229)
Net cash from operating activities		<u>125,965</u>	<u>58,615</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,750,179)	(233,510)
Interest received		1	1
Net cash from investing activities		<u>(1,750,178)</u>	<u>(233,509)</u>
Cash flows from financing activities			
New loans in year		1,582,721	161,362
Amount introduced by directors		246,646	195,600
Amount withdrawn by directors		(213,719)	(177,648)
Share issue		-	1
Equity dividends paid		-	(195,600)
Net cash from financing activities		<u>1,615,648</u>	<u>(16,285)</u>
Decrease in cash and cash equivalents		<u>(8,565)</u>	<u>(191,179)</u>
Cash and cash equivalents at beginning of year	2	(142,562)	48,617
Cash and cash equivalents at end of year	2	<u>(151,127)</u>	<u>(142,562)</u>

Notes to the Cash Flow Statement
for the Year Ended 31 March 2017

1. **RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2017	2016
	£	£
(Loss)/profit before taxation	(3,170)	200,049
Depreciation charges	86,491	95,909
Finance costs	120,249	107,529
Finance income	(1)	(1)
	<u>203,569</u>	<u>403,486</u>
Increase in trade and other debtors	(44,424)	(148,304)
Increase/(decrease) in trade and other creditors	<u>107,838</u>	<u>(40,809)</u>
Cash generated from operations	<u>266,983</u>	<u>214,373</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 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	9,233	14,647
Bank overdrafts	<u>(160,360)</u>	<u>(157,209)</u>
	<u>(151,127)</u>	<u>(142,562)</u>

Year ended 31 March 2016

	31.3.16	1.4.15
	£	£
Cash and cash equivalents	14,647	48,617
Bank overdrafts	<u>(157,209)</u>	<u>-</u>
	<u>(142,562)</u>	<u>48,617</u>

Notes to the Financial Statements
for the Year Ended 31 March 2017

1. **STATUTORY INFORMATION**

Applecross Nursing Home Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **STATEMENT OF COMPLIANCE**

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. There were no material departures from the standard.

3. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand, and from directors loans. The directors have prepared projected cash flow information for the current financial year. On the basis of this cash flow information and discussions with the above parties, the directors have formed a judgement at the time of approving the financial statements that they will continue to support the company. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from withdrawal of support by the above mentioned parties.

Turnover & revenue recognition

Turnover is derived from nursing and care services supplied by the company.

Turnover is measured at the fair value of nursing and care services supplied, net of discounts and is recognised at the point that the company obtains the right to consideration.

Tangible fixed assets

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

Freehold property	- 2% on cost
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 20% on cost

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Expenditure of £1,000 or more on individual tangible fixed assets is capitalised at cost. Expenditure on assets below this threshold is charged directly to the income account in the period it is incurred.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

3. ACCOUNTING POLICIES - continued

Basic financial instruments

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

4. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	1,483,108	1,288,135
Social security costs	95,621	86,210
Other pension costs	10,411	7,236
	<u>1,589,140</u>	<u>1,381,581</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

4. **EMPLOYEES AND DIRECTORS - continued**

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

	2017	2016
Management	3	3
Nursing and Care Staff	89	71
Kitchen & Laundry	<u>10</u>	<u>8</u>
	<u>102</u>	<u>82</u>

	2017	2016
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

5. **OPERATING PROFIT**

The operating profit is stated after charging:

	2017	2016
	£	£
Hire of plant and machinery	-	1,600
Other operating leases	16,928	8,492
Depreciation - owned assets	86,493	95,909
Auditors' remuneration	<u>3,000</u>	<u>3,000</u>

6. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2017	2016
	£	£
Bank interest	1,152	-
Bank loan interest	114,238	103,268
Late payment interest	<u>4,859</u>	<u>4,261</u>
	<u>120,249</u>	<u>107,529</u>

7. **TAXATION**

Analysis of the tax (credit)/charge

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

	2017	2016
	£	£
Current tax:		
Under provision prior years	(2,944)	-
Deferred tax	<u>216</u>	<u>14,522</u>
Tax on (loss)/profit	<u>(2,728)</u>	<u>14,522</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

7. **TAXATION - continued**

Tax effects relating to effects of other comprehensive income

	Gross £	2017 Tax £	Net £
Deferred tax movement on revaluation	<u>-</u>	<u>6,334</u>	<u>6,334</u>
	Gross £	2016 Tax £	Net £
Deferred tax movement on revaluation	<u>-</u>	<u>6,334</u>	<u>6,334</u>

8. **DIVIDENDS**

	2017 £	2016 £
Ordinary shares of £1 each		
Interim	-	133,600
B share of £1		
Interim	<u>-</u>	<u>62,000</u>
	<u>-</u>	<u>195,600</u>

9. **TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 April 2016	4,606,273	34,690	196,083	42,414	4,879,460
Additions	<u>1,650,541</u>	<u>-</u>	<u>99,638</u>	<u>-</u>	<u>1,750,179</u>
At 31 March 2017	<u>6,256,814</u>	<u>34,690</u>	<u>295,721</u>	<u>42,414</u>	<u>6,629,639</u>
DEPRECIATION					
At 1 April 2016	340,001	22,259	185,901	42,414	590,575
Charge for year	<u>68,000</u>	<u>2,194</u>	<u>16,299</u>	<u>-</u>	<u>86,493</u>
At 31 March 2017	<u>408,001</u>	<u>24,453</u>	<u>202,200</u>	<u>42,414</u>	<u>677,068</u>
NET BOOK VALUE					
At 31 March 2017	<u>5,848,813</u>	<u>10,237</u>	<u>93,521</u>	<u>-</u>	<u>5,952,571</u>
At 31 March 2016	<u>4,266,272</u>	<u>12,431</u>	<u>10,182</u>	<u>-</u>	<u>4,288,885</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

9. **TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 31 March 2017 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2011	1,350,648	-	-	-	1,350,648
Cost	4,906,166	34,690	295,721	42,414	5,278,991
	<u>6,256,814</u>	<u>34,690</u>	<u>295,721</u>	<u>42,414</u>	<u>6,629,639</u>

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

	2017 £	2016 £
Cost	<u>4,906,166</u>	<u>3,049,352</u>
Aggregate depreciation	<u>254,717</u>	<u>162,927</u>
Value of land in freehold land and buildings	<u>1,000,000</u>	<u>1,000,000</u>

Freehold land & buildings were valued on an open market basis on 31 March 2017 by the directors .

If Freehold Property was sold this would result in an additional corporation tax liability of approximately £215,000.

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

	2017 £	2016 £
Trade debtors	225,088	320,984
Other debtors	16,185	25,253
Prepayments and accrued income	<u>225,355</u>	<u>75,967</u>
	<u>466,628</u>	<u>422,204</u>

11. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Bank loans and overdrafts (see note 13)	339,289	336,137
Trade creditors	45,268	32,228
Tax	-	23,713
Social security and other taxes	76,990	38,666
Other creditors	82,542	29,183
Directors' current accounts	50,879	17,952
Accrued expenses	<u>12,355</u>	<u>9,240</u>
	<u>607,323</u>	<u>487,119</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

12. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017	2016
	£	£
Bank loans (see note 13)	<u>4,255,688</u>	<u>2,672,970</u>

13. **LOANS**

An analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	160,360	157,209
Bank loans	<u>178,929</u>	<u>178,928</u>
	<u>339,289</u>	<u>336,137</u>

Amounts falling due between two and five years:

Bank loans	<u>280,448</u>	<u>715,712</u>
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Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 years by instalments	<u>3,975,240</u>	<u>1,957,258</u>

14. **SECURED DEBTS**

The following secured debts are included within creditors:

	2017	2016
	£	£
Bank overdrafts	160,360	157,209
Bank loans	<u>4,434,617</u>	<u>2,851,898</u>
	<u>4,594,977</u>	<u>3,009,107</u>

Bank loans and overdraft are secured by a bond and floating charge together with standard security over the Freehold Property.

15. **PROVISIONS FOR LIABILITIES**

	2017	2016
	£	£
Deferred tax		
Other timing differences	284,923	291,257
Accelerated capital allowances	175,366	143,057
Unutilised trading losses	<u>(32,093)</u>	<u>-</u>
	<u>428,196</u>	<u>434,314</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

15. **PROVISIONS FOR LIABILITIES - continued**

	Deferred tax £
Balance at 1 April 2016	434,314
Provided during year	25,975
Unutilised tax losses	<u>(32,093)</u>
Balance at 31 March 2017	<u><u>428,196</u></u>

16. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
2	Ordinary	£1	2	2
1	A	£1	1	1
1	B	£1	1	1
1	C	£1	<u>1</u>	<u>1</u>
			<u><u>5</u></u>	<u><u>5</u></u>

17. **RESERVES**

	Retained earnings £	Revaluation reserve £	Totals £
At 1 April 2016	23,306	1,108,022	1,131,328
Deficit for the year	(442)		(442)
Revaluation reserve release	31,672	(31,672)	-
Deferred tax on revaluation reserve release	<u>-</u>	<u>6,334</u>	<u>6,334</u>
At 31 March 2017	<u><u>54,536</u></u>	<u><u>1,082,684</u></u>	<u><u>1,137,220</u></u>

18. **CAPITAL COMMITMENTS**

	2017 £	2016 £
Contracted but not provided for in the financial statements	<u><u>-</u></u>	<u><u>1,484,135</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

19. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 March 2017 and 31 March 2016:

	2017	2016
	£	£
A Kelly and Mrs M Kelly		
Balance outstanding at start of year	(17,953)	40,305
Amounts advanced	294,683	161,524
Amounts repaid	(327,609)	(219,782)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(50,879)</u>	<u>(17,953)</u>

APPLECROSS NURSING HOME LIMITED (REGISTERED NUMBER: SC177933)

Reconciliation of Equity
1 April 2015
(Date of Transition to FRS 102)

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS			
Tangible assets	4,151,284	-	4,151,284
CURRENT ASSETS			
Debtors	314,205	-	314,205
Cash at bank and in hand	48,617	-	48,617
	<u>362,822</u>	<u>-</u>	<u>362,822</u>
CREDITORS			
Amounts falling due within one year	(328,373)	-	(328,373)
NET CURRENT ASSETS	<u>34,449</u>	<u>-</u>	<u>34,449</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	4,185,733	-	4,185,733
CREDITORS			
Amounts falling due after more than one year	(2,624,536)	-	(2,624,536)
PROVISIONS FOR LIABILITIES	<u>(426,126)</u>	<u>-</u>	<u>(426,126)</u>
NET ASSETS	<u>1,135,071</u>	<u>-</u>	<u>1,135,071</u>
CAPITAL AND RESERVES			
Called up share capital	4	-	4
Revaluation reserve	1,133,360	-	1,133,360
Retained earnings	1,707	-	1,707
SHAREHOLDERS' FUNDS	<u>1,135,071</u>	<u>-</u>	<u>1,135,071</u>

Reconciliation of Equity - continued
31 March 2016

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS			
Tangible assets	<u>4,151,284</u>	<u>137,601</u>	<u>4,288,885</u>
CURRENT ASSETS			
Debtors	314,205	107,999	422,204
Cash at bank and in hand	<u>48,617</u>	<u>(33,970)</u>	<u>14,647</u>
	<u>362,822</u>	<u>74,029</u>	<u>436,851</u>
CREDITORS			
Amounts falling due within one year	<u>(328,373)</u>	<u>(158,746)</u>	<u>(487,119)</u>
NET CURRENT ASSETS/(LIABILITIES)	<u>34,449</u>	<u>(84,717)</u>	<u>(50,268)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	4,185,733	52,884	4,238,617
CREDITORS			
Amounts falling due after more than one year	(2,624,536)	(48,434)	(2,672,970)
PROVISIONS FOR LIABILITIES	<u>(426,126)</u>	<u>(8,188)</u>	<u>(434,314)</u>
NET ASSETS	<u>1,135,071</u>	<u>(3,738)</u>	<u>1,131,333</u>
CAPITAL AND RESERVES			
Called up share capital	4	1	5
Revaluation reserve	1,133,360	(25,338)	1,108,022
Retained earnings	<u>1,707</u>	<u>21,599</u>	<u>23,306</u>
SHAREHOLDERS' FUNDS	<u>1,135,071</u>	<u>(3,738)</u>	<u>1,131,333</u>

APPLECROSS NURSING HOME LIMITED (REGISTERED NUMBER: SC177933)

Reconciliation of Profit
for the Year Ended 31 March 2016

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	2,126,101	95,131	2,221,232
Cost of sales	(1,386,194)	(128,161)	(1,514,355)
GROSS PROFIT	739,907	(33,030)	706,877
Administrative expenses	(417,336)	17,955	(399,381)
Other operating income	-	81	81
OPERATING PROFIT	322,571	(14,994)	307,577
Interest receivable and similar income	5	(4)	1
Interest payable and similar expenses	(119,572)	12,043	(107,529)
PROFIT BEFORE TAXATION	203,004	(2,955)	200,049
Tax on profit	(53,514)	38,992	(14,522)
PROFIT FOR THE FINANCIAL YEAR	<u>149,490</u>	<u>36,037</u>	<u>185,527</u>

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