

**COMPANIES HOUSE
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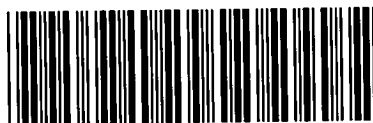
Dundonald House Nursing Home Limited

Registered number: SC296431

Filleted accounts

For the year ended 28 February 2018

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COMPANIES HOUSE

DUNDONALD HOUSE NURSING HOME LIMITED

Registered number: SC296431

BALANCE SHEET**AS AT 28 FEBRUARY 2018**

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	4	-	-
Tangible assets	5	576,646	643,532
		<u>576,646</u>	<u>643,532</u>
Debtors: amounts falling due within one year	6	385,098	317,368
Cash at bank and in hand		351	4,932
		<u>385,449</u>	<u>322,300</u>
Creditors: amounts falling due within one year	7	(602,095)	(521,296)
Net current liabilities		<u>(216,646)</u>	<u>(198,996)</u>
Total assets less current liabilities		<u>360,000</u>	<u>444,536</u>
Deferred tax	8	(33,853)	(39,134)
Net assets		<u><u>326,147</u></u>	<u><u>405,402</u></u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	326,145	405,400
		<u><u>326,147</u></u>	<u><u>405,402</u></u>

DUNDONALD HOUSE NURSING HOME LIMITED

Registered number: SC296431

BALANCE SHEET (CONTINUED) **AS AT 28 FEBRUARY 2018**

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

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

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

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

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

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

ANNE KERR
ANNE KERR (Nov 29, 2018)

A Kerr
Director

Date: Nov 29, 2018

RUTH I MURDOCH
RUTH I MURDOCH (Nov 28, 2018)

R Murdoch
Director

Date: Nov 28, 2018

The notes on pages 3 to 9 form part of these financial statements.

DUNDONALD HOUSE NURSING HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

1. General information

Dundonald House Nursing Home Limited is a private company limited by shares, incorporated in Scotland, SC296431. Its registered office is 100 Queen Street, Glasgow, G1 3DN.

The principal business activity of the company during the year under review continued to be that of the operation of a nursing home.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Intangible assets

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

DUNDONALD HOUSE NURSING HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

2. Accounting policies (continued)

2.4 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Tenant improvements	-	5%
Plant & machinery	-	15%
Fixtures & fittings	-	15%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.5 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.

2.6 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.

2.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable 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 the 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

DUNDONALD HOUSE NURSING HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

2. Accounting policies (continued)

2.7 Financial instruments (continued)

reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

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 of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

2.8 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.

2.9 Finance costs

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

2.10 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

DUNDONALD HOUSE NURSING HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 balance sheet 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 Balance sheet 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 balance sheet date.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average number of employees, including directors, during the year was 110 (2017 - 107).

DUNDONALD HOUSE NURSING HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

4. Intangible assets

	Goodwill £
At 1 March 2017	96,000
Disposals	(96,000)
At 28 February 2018	-
At 1 March 2017	96,000
On disposals	(96,000)
At 28 February 2018	-
Net book value	
At 28 February 2018	-
At 28 February 2017	-

5. Tangible fixed assets

	Leasehold Improvements £	Plant & machinery £	Fixtures & fittings £	Total £
Cost				
At 1 March 2017 and 28 February 2018	655,583	32,019	237,997	925,599
Depreciation				
At 1 March 2017	114,079	24,209	143,779	282,067
Charge for the year	32,779	3,394	30,713	66,886
At 28 February 2018	146,858	27,603	174,492	348,953
Net book value				
At 28 February 2018	508,725	4,416	63,505	576,646
At 28 February 2017	541,504	7,810	94,218	643,532

DUNDONALD HOUSE NURSING HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

6. Debtors

	2018 £	2017 £
Trade debtors	143,127	118,382
Other debtors (note 12)	232,003	196,739
Prepayments and accrued income	9,968	2,247
	<u>385,098</u>	<u>317,368</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	199,953	176,486
Trade creditors	95,969	54,363
Corporation tax	116,549	93,865
Other taxation and social security	46,304	46,000
Accruals and deferred income	28,040	65,499
Directors' loan account (note 11)	-	893
Other creditors	115,280	84,190
	<u>602,095</u>	<u>521,296</u>

8. Deferred taxation

	2018 £	2017 £
At beginning of year	39,134	47,585
Charged to profit or loss	5,281	8,451
At end of year	<u>33,853</u>	<u>39,134</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	<u>33,853</u>	<u>39,134</u>

DUNDONALD HOUSE NURSING HOME LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

9. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
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10. Reserves

Profit & loss account

The profit and loss account includes all current and prior period retained profits and losses.

11. Transactions with directors

Included within creditors is an amount due to the directors, R Murdoch and A Kerr of £nil (2017: £893). This amount is due jointly, is unsecured, interest free and has no fixed terms of repayment.

12. Related party transactions

Included within other debtors is an amount due to Ruth Murdoch and Anne Kerr T/A Dundonald House Nursing Home of £177,837 (2017: £148,073), a partnership in which both of the directors are partners. This amount is unsecured, interest free and has no fixed terms of repayment.

During the year Dundonald House Nursing Home Limited paid £470,000 (2017: £470,000) by way of rental charges to Ruth Murdoch and Anne Kerr T/A Dundonald House Nursing Home. The transactions were carried out at arms length and on normal commercial terms.

13. Controlling party

In the directors opinion there is no ultimate controlling party.