

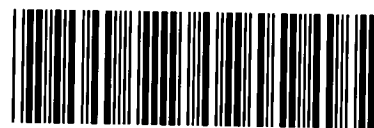
# Financial Statements

## Faskally Care Home Limited

---

For the Year Ended 30 September 2016

SATURDAY



\*S67C2HZ6\*

SCT

27/05/2017

#57

COMPANIES HOUSE

Registered number: SC301531

**Faskally Care Home Limited**

## Company Information

**Director** Mr A R Banks

**Registered number** SC301531

**Registered office** Earn House  
Lamberkine Drive  
Perth  
Perthshire  
PH1 1RA

**Independent auditor** Grant Thornton UK LLP  
Chartered Accountants & Statutory Auditor  
110 Queen Street  
Level 8  
Glasgow  
G1 3BX

## Contents

	Page
<b>Director's report</b>	<b>1 - 2</b>
<b>Independent auditor's report</b>	<b>3 - 4</b>
<b>Statement of comprehensive income</b>	<b>5</b>
<b>Statement of financial position</b>	<b>6</b>
<b>Statement of changes in equity</b>	<b>7</b>
<b>Notes to the financial statements</b>	<b>8 - 13</b>

# 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.

## **Principal activity**

The principal activity of the company is that of a procurement and project management company operating on behalf of Balhousie Holdings Limited and its subsidiaries ("the Group").

## **Director**

The director who served during the year was:

Mr A R Banks

## **Director's responsibilities statement**

The director is responsible for preparing 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 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 they are satisfied that they give 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 and then apply them consistently;
- make judgments 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.

## **Disclosure of information to auditor**

The director confirms that 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 make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

## **Auditor**

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

**Faskally Care Home Limited**

## **Director's Report (continued)**

**For the Year Ended 30 September 2016**

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

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

**Mr A R Banks**

Director

Date: 23 May 2017

## Independent Auditor's Report to the Members of Faskally Care Home Limited

We have audited the financial statements of Faskally Care Home Limited for the year ended 30 September 2016, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes. 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 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 director and auditor**

As explained more fully in the Director's responsibilities statement on Page 1, 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](http://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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent Auditor's Report to the Members of Faskally Care 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Director's report.

A handwritten signature in black ink, appearing to read "James Chadwick".

James Chadwick (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Glasgow

23 May 2017

## Statement of Comprehensive Income

For the Year Ended 30 September 2016

	Note	2016 £000	2015 £000
Turnover	3	-	1
Cost of sales		-	(4)
<b>Gross profit/(loss)</b>		-	(3)
Administrative expenses		33	(204)
<b>Operating profit/(loss)</b>		33	(207)
Interest receivable and similar income	6	3	-
Interest payable and similar charges	7	-	(16)
<b>Profit/(loss) on ordinary activities before tax</b>		36	(223)
Tax on profit/(loss) on ordinary activities	8	-	-
<b>Profit/(loss) for the financial year</b>		36	(223)

There was no other comprehensive income for 2016 (2015: £000NIL).

The notes on pages 8 to 13 form part of these financial statements.



## Statement of Financial Position

As at 30 September 2016

	Note	2016 £000	2015 £000
<b>Current assets</b>			
Debtors	9	1,042	1,057
Cash at bank	10	1	1
		<u>1,043</u>	<u>1,058</u>
Creditors: amounts falling due within one year	11	(170)	(221)
<b>Net current assets</b>		<u>873</u>	<u>837</u>
<b>Total assets less current liabilities</b>		<u>873</u>	<u>837</u>
<b>Capital and reserves</b>			
Profit and loss account	13	<u>873</u>	<u>837</u>
<b>Shareholders' funds</b>		<u>873</u>	<u>837</u>

The Company's 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 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 8 to 13 form part of these financial statements.

## Statement of Changes in Equity

For the Year Ended 30 September 2016

	Profit and loss account	Total equity
	£000	£000
At 1 October 2015	837	837
<b>Comprehensive income for the year</b>		
Profit for the year	36	36
<b>Total comprehensive income for the year</b>	<u>36</u>	<u>36</u>
<b>Total transactions with owners</b>	<u>-</u>	<u>-</u>
<b>At 30 September 2016</b>	<u><u>873</u></u>	<u><u>873</u></u>

## Statement of Changes in Equity

For the Year Ended 30 September 2015

	Profit and loss account	Total equity
	£000	£000
At 1 October 2014	1,060	1,060
<b>Comprehensive income for the year</b>		
Loss for the year	(223)	(223)
<b>Total comprehensive income for the year</b>	<u>(223)</u>	<u>(223)</u>
<b>Total transactions with owners</b>	<u>-</u>	<u>-</u>
<b>At 30 September 2015</b>	<u><u>837</u></u>	<u><u>837</u></u>

The notes on pages 8 to 13 form part of these financial statements.

# Notes to the Financial Statements

For the Year Ended 30 September 2016

## **1. General information**

The company is limited by shares and is incorporated in Scotland. The registered office address is Earn House, Lamberkine Drive, Perth, Perthshire, PH1 1RA.

## **2. Accounting policies**

### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, which the company have chosen to early adopt, and the Companies Act 2006.

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 accounting policies.

The following principal accounting policies have been applied:

### **2.2 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.

### **2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

### **2.4 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.

### **2.5 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.

# Notes to the Financial Statements

For the Year Ended 30 September 2016

## 2. Accounting policies (continued)

### 2.6 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.

### 2.7 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.

### 2.8 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

### 2.9 Interest income

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

# Notes to the Financial Statements

For the Year Ended 30 September 2016

## 3. Turnover

Analysis of turnover by country of destination:

	2016 £000	2015 £000
United Kingdom	-	1

All turnover arose within the United Kingdom.

## 4. Auditor's remuneration

Audit remuneration was borne by another group company. The director estimates the cost borne that relates to the audit of the company to be £1,000 (2015: £1,000).

## 5. Employees

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

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

	2016 No.	2015 No.
Staff and director	1	1

## 6. Interest receivable

	2016 £000	2015 £000
Other interest receivable	3	-

## 7. Interest payable and similar charges

	2016 £000	2015 £000
Other interest payable	-	16

## Notes to the Financial Statements

For the Year Ended 30 September 2016

**8. Taxation**

	2016 £000	2015 £000
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
<b>Total deferred tax</b>	-	-
<b>Taxation on profit on ordinary activities</b>	-	-

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (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/(loss) on ordinary activities before tax	36	(223)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.5%)	7	(46)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	-	10
Income not taxable for tax purposes	(7)	-
Transfer pricing adjustments	-	1
Deferred tax not recognised	-	35
<b>Total tax charge for the year</b>	-	-

**9. Debtors**

	2016 £000	2015 £000
Amounts owed by group undertakings	973	989
Amounts owed by related parties	69	68
	1,042	1,057

# Notes to the Financial Statements

For the Year Ended 30 September 2016

## 10. Cash and cash equivalents

	2016 £000	2015 £000
Cash at bank and in hand	<u>1</u>	<u>1</u>

## 11. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Accruals and deferred income	<u>170</u>	<u>221</u>

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.

## 12. Share capital

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

## 13. Reserves

### Profit and loss account

Includes all current and prior period retained profits and losses.

## 14. Related party transactions

The company is a wholly owned subsidiary of Balhousie Holdings Limited, the consolidated accounts of which are publicly available from the Register of Companies. Accordingly, the company has taken advantage of the exemption allowed under FRS 102 from disclosing transactions with members of the Balhousie Care Group.

## Notes to the Financial Statements

For the Year Ended 30 September 2016

### **15. Controlling party**

The company is a wholly owned subsidiary of Balhousie Holdings Limited, a company registered in Scotland. The results of Faskally Care Home Limited are included within the consolidated financial statements of Balhousie Holdings Limited for the year ended 30 September 2015. 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.

### **16. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.