COMPANY REGISTRATION NUMBER: 05878989

EUNGELLA CARE LTD

Filleted Unaudited Financial Statements

31 July 2017

EUNGELLA CARE LTD

Financial Statements

Year ended 31 July 2017

Contents **Pages**

EUNGELLA CARE LTD

Statement of Financial Position

31 July 2017

	Note	2017 £	2017 £	2016 £
Fixed assets				
Intangible assets	**5**		**4,000**	6,000
Tangible assets	**6**		**644,692**	643,653
			648,692	649,653
Current assets				
Stocks		**200**		215
Debtors	**7**	**4,792**		7,796
Cash at bank and in hand		**509**		5,100
		5,501		13,111
Creditors: amounts falling due within one year	**8**	**(94,080)**		(115,328)
Net current liabilities			**(88,579)**	(102,217)
Total assets less current liabilities			**560,113**	547,436
Creditors: amounts falling due after more than one year	**9**		**(370,651)**	(422,039)
Provisions				
Taxation including deferred tax			**(2,038)**	–
Net assets			**187,424**	125,397
Capital and reserves				
Called up share capital			**100**	100
Profit and loss account			**187,324**	125,297
Shareholders funds			**187,424**	125,397

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 July 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

These financial statements were approved by the board of directors and authorised for issue on 27 April 2018 , and are signed on behalf of the board by:

S Grimshaw

Director

Company registration number: 05878989

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 40 Highfield Drive, Natwich, Cheshire, CW5 6EX. The principal activity of the company is that of a care home.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements are prepared in sterling under the historical cost convention, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 August 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 11.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The judgements that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows: Estimated useful lives and residual values of fixed assets As described in the financial statements, depreciation of tangible and intangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives used by other companies operating in the sector and actual asset lives and residual values, as evidenced by disposals during the current and prior accounting periods. Valuation of property As described in the financial statements, investment property is stated in the balance sheet at fair value, based on the valuation performed by the directors. The directors are of the opinion that the year-end valuation is not materially different to current market prices observed. Investment property has been recognised at fair value by the directors and they are of the opinion that there has been no material change since 31 July 2017.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. Revenue from the rendering of services is recognised by reference to the stage of completion at the balance sheet date; the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Corporation tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10 Years - straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	50 Years - straight line
Fixtures and Fittings	-	20% Reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 21 (2016: 22).

5. Intangible assets

	Goodwill
	£
Cost	
At 1 August 2016 and 31 July 2017	**20,000**
Amortisation	
At 1 August 2016	**14,000**
Charge for the year	**2,000**
At 31 July 2017	**16,000**
Carrying amount	
At 31 July 2017	**4,000**
At 31 July 2016	6,000

6. Tangible assets

	Land and buildings	Fixtures and fittings	**Total**
	£	£	**£**
Cost			
At 1 August 2016	629,206	71,839	**701,045**
Additions	4,776	12,516	**17,292**
At 31 July 2017	633,982	84,355	**718,337**
Depreciation			
At 1 August 2016	20,900	36,492	**57,392**
Charge for the year	6,680	9,573	**16,253**
At 31 July 2017	27,580	46,065	**73,645**
Carrying amount			
At 31 July 2017	606,402	38,290	**644,692**
At 31 July 2016	608,306	35,347	643,653

Included in freehold land and buildings is land in the estimated sum of £200,000 and an estimated residual value of £100,000 both of which are not subject to depreciation.

7. Debtors

	2017	2016
	£	£
Trade debtors	**-**	4,363
Other debtors	**4,792**	3,433
	-------	-------
	4,792	7,796
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8. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	**30,135**	17,872
Corporation tax	**22,713**	7,864
Social security and other taxes	**3,236**	2,180
Other creditors	**37,996**	87,412
	--------	---------
	94,080	115,328
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Secured creditors totalled £30,135 due within one year (2016 £17,872)

9. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	**370,651**	190,175
Other creditors	**-**	231,864
	---------	---------
	370,651	422,039
	---------	---------

Secured creditors totalled £370,651 due within one year (2016 £190,175)

10. Related party transactions

All transactions undertaken with the directors are deemed to be conducted under normal market conditions and/or are not material.

11. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 August 2015.

No transitional adjustments were required in equity or profit or loss for the year.