REGISTERED NUMBER: 03043921 (England and Wales)

Financial Statements for the Year Ended 31 July 2017

for

Golfhill Limited

Golfhill Limited (Registered number: 03043921)

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for the Year Ended 31 July 2017

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Company Information
for the Year Ended 31 July 2017

DIRECTORS:	N S Meyer D G Henson
SECRETARY:	Mrs T Lowe
REGISTERED OFFICE:	First Floor Cef Building Broomhill Way Torquay Devon TQ2 7QN
BUSINESS ADDRESS:	Three Corners 3 Greenway Road Brixham Devon TQ5 0LW
REGISTERED NUMBER:	03043921 (England and Wales)
AUDITORS:	Darnells Chartered Accountants Quay House Quay Road Newton Abbot Devon TQ12 2BU
BANKERS:	NatWest Bank 59 High Street Exeter Devon EX4 3DL

Golfhill Limited (Registered number: 03043921)

Balance Sheet
31 July 2017

	Notes	31.7.17 £	31.7.16 as restated £	1.8.15 £
FIXED ASSETS				
Intangible assets	4	94,000	112,800	131,600
Tangible assets	5	3,553,174	3,537,160	3,107,178
		3,647,174	3,649,960	3,238,778
CURRENT ASSETS				
Stocks		2,000	2,000	2,000
Debtors	6	113,684	130,507	97,065
Cash at bank		28,856	86,189	72,987
		144,540	218,696	172,052
CREDITORS				
Amounts falling due within one year	7	(393,932)	(317,517)	(207,130)
NET CURRENT LIABILITIES		(249,392)	(98,821)	(35,078)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,397,782	3,551,139	3,203,700
CREDITORS				
Amounts falling due after more than one year	8	(2,022,328)	(2,743,636)	(2,579,258)
PROVISIONS FOR LIABILITIES		(78,817)	(74,252)	(47,675)
NET ASSETS		1,296,637	733,251	576,767
CAPITAL AND RESERVES				
Called up share capital	9	100	100	100
Retained earnings		1,296,537	733,151	536,741
SHAREHOLDERS' FUNDS		1,296,637	733,251	536,841

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 27 April 2018 and were signed on its behalf by:

D G Henson - Director

The notes form part of these financial statements

1. STATUTORY INFORMATION

Golfhill Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
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. The financial statements have been prepared under historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

Critical accounting judgements and key sources of estimation uncertainty
In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Changes in accounting policies
In accordance with the provisions of FRS102, the company has changed its accounting policy and is now recognising depreciation on freehold property, the previous policy not being compliant with UK GAAP. The accounts have been restated to incorporate the impact of this change in accounting policy. The change in policy has resulted in profits available for distribution at 31 July 2016 decreasing by £60,298.

Turnover
Turnover represents amounts derived from the provision of residential care services falling within the company's principal activities. Revenue is recognised when the amount of revenue can be measured reliably, it is possible that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Goodwill
Goodwill, being the amount paid in connection with the acquisition of businesses in 1996 and 2013 is amortised over their estimated useful lives of 10 years.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Fixtures and fittings	- 20% on reducing balance

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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2. **ACCOUNTING POLICIES - continued**

Financial instruments
Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets
Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit and loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit and loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

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2. **ACCOUNTING POLICIES - continued**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classed as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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.

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2. **ACCOUNTING POLICIES - continued**

Going concern
At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 132 (2016 - 117) .

4. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1 August 2016 and 31 July 2017	288,000
AMORTISATION	
At 1 August 2016	175,200
Charge for year	18,800
At 31 July 2017	194,000
NET BOOK VALUE	
At 31 July 2017	94,000
At 31 July 2016	112,800

5. **TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 August 2016	3,420,806	392,406	3,813,212
Additions	19,025	63,542	82,567
At 31 July 2017	3,439,831	455,948	3,895,779
DEPRECIATION			
At 1 August 2016	60,298	215,754	276,052
Charge for year	18,514	48,039	66,553
At 31 July 2017	78,812	263,793	342,605
NET BOOK VALUE			
At 31 July 2017	3,361,019	192,155	3,553,174
At 31 July 2016	3,360,508	176,652	3,537,160

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5. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Fixtures and fittings £
COST	
At 1 August 2016 and 31 July 2017	93,450
DEPRECIATION	
At 1 August 2016	33,642
Charge for year	11,962
At 31 July 2017	45,604
NET BOOK VALUE	
At 31 July 2017	47,846
At 31 July 2016	59,808

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

	31.7.17	31.7.16 as restated
	£	£
Trade debtors	94,932	112,408
Other debtors	18,752	18,099
	113,684	130,507

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

	31.7.17	31.7.16 as restated
	£	£
Hire purchase contracts	11,743	28,183
Payments on account	5,308	-
Trade creditors	41,437	78,915
Corporation tax	147,896	44,705
Social security and other taxes	26,338	22,038
Accrued expenses	161,210	143,676
	393,932	317,517

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8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.7.17	31.7.16 as restated
	£	£
Hire purchase contracts	-	11,743
Amounts owed to group undertakings	2,022,328	2,731,893
	2,022,328	2,743,636

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.7.17	31.7.16 as restated
			£	£
100	Ordinary	£1	100	100

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Mr Paul Beard (Senior Statutory Auditor)
for and on behalf of Darnells Chartered Accountants

11. CONTINGENT LIABILITIES

The company has entered into a cross guarantee to guarantee the indebtedness of its parent company to group bankers. At the balance sheet date the indebtedness of the parent company to group bankers was £8,411,159 (2016 - £8,503,705). The guarantee is secured by a charge over company assets.

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12. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Shervey Limited.

As at 31 July 2017, the company owed £1,919,698 to its parent company, Shervey Limited, comprising:

	£
Balance as at 1 August 2016	2,632,734
Expenses paid by Shervey Limited	11,550
Central expenses recharged to Shervey Limited	(35,638)
Payment for surrender of tax losses	29,258
Interest payable to Shervey Limited	77,794
Cash transferred to Shervey Limited	(796,000)
Balance as at 31 July 2017	1,919,698

In order to reflect the interest cost of bank loans taken out by its parent company (Shervey Limited) which are secured on the company's property, the company has undertaken to pay interest to Shervey Limited with an effective interest rate of 3.5% per annum. The amount of the interest payable in the current period is £77,794 (2016 - £90,897).

Additionally, having received the benefit of tax losses surrendered by other group companies, the company has undertaken to make a payment to the companies surrendering the loss. The amount of the tax benefit received in 2017 was £29,258 (2016 - £39,174).

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